



Daily Report

East Asia

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Singapore, SRV Foreign Ministers Meet 24 Jul
BK2807054593 Singapore THE STRAITS TIMES in English 25 Jul 93 p 22

[Text] Vietnam's prospects for future political and economic cooperation with ASEAN were "limited now only by our capacity for imagination", Singapore Foreign Minister Wong Kan Seng told his Hanoi counterpart yesterday.

He told Vietnamese Foreign Minister Nguyen Manh Cam at a consultative meeting that ASEAN and Vietnam should build on their new dialogue and aim to realise the full potential of both sides for economic growth.

Yesterday's meeting came after a benchmark year in ASEAN-Hanoi relations, highlighted by strong diplomatic, trade and investment achievements.

Mr Wong said that there was scope for Hanoi's further participation in future ASEAN meetings because the grouping considered Vietnam an important partner in regional security matters.

Hanoi took part as an observer in last week's ASEAN Ministerial Meeting (AMM) and will also be attending the Post-Ministerial Conference (PMC) with the grouping's dialogue partners, which begins tomorrow.

Vietnam obtained observer status last year, and has acceded to the Treaty of Amity and Cooperation. ASEAN has invited Vietnam to attend the 27th AMM/PMC in Bangkok next year.

Mr Wong said that ASEAN was also willing to explore new areas of functional cooperation with Vietnam in science, technology, the environment, health, culture, information and tourism.

Mr Cam said that Hanoi wanted to quicken the pace of cooperation through projects in these fields with ASEAN, as well as in programmes between ASEAN and its dialogue partners.

Vietnam, he said, was also eager to take part in the ASEAN economic ministers meeting and other forums.

If possible, Hanoi would like to have an official attached to the ASEAN Secretariat to maintain contact.

Hanoi, which invaded Cambodia in 1979, was commended by ASEAN during yesterday's meeting for not impeding the United Nations-brokered Cambodian peace process. It withdrew from Cambodia in 1989 after installing a puppet regime.

Mr Wong said that peace and permanent stability in Cambodia would hasten the integration of Vietnam and other Indochinese countries into Southeast Asia.

He also said that Hanoi's signing of the ASEAN Declaration on the South China Sea "augurs well for future cooperation on regional security issues".

Vietnam, along with China, Taiwan, the Philippines, Malaysia and Brunei, claim all or some of the South China Sea's Spratly islands.

At another consultative meeting yesterday, Mr Wong told Laotian Foreign Minister Somsavat Lengsavat that ASEAN would continue to support Laos' reforms towards a market economy.

Laos, which also acceded to the Amity treaty last year, is a first-time observer at the AMM.

Earlier, during an official call on Prime Minister Goh Chok Tong, Mr Cam sought his views on how to overcome Vietnam's problems in transforming a centrally planned economy into a market-oriented one.

They also exchanged ideas on strategies for Vietnam's infrastructure development and promoting investments between the two countries.

Philippine Foreign Secretary Meets Christopher
HK2707013593 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 26 Jul 93

[Text] Foreign Affairs Secretary Roberto Romulo met with U.S. Secretary of State Warren Christopher in Singapore to discuss bilateral relations and the state of the Philippine economy and the ongoing power crisis. Romulo also praised the Clinton administration's new approach toward relations with the countries of Southeast Asia. The foreign secretary also suggested further discussions on how to strengthen ties between the United States and the Philippines.

Muto Assures SRV of Support in Repaying IMF
OW2607164693 Tokyo KYODO in English 1528 GMT 26 Jul 93

[Text] Singapore, July 26 KYODO—Japan assured Vietnam on Monday [26 July] it will continue playing a leading role in helping the country repay its arrears to the International Monetary Fund (IMF). Japanese Foreign Minister Kabuo Muto gave the assurance during a meeting with his Vietnamese counterpart Nguyen Manh Cam, a Japanese spokesman said.

Vietnam must repay debts it owes the IMF before it can begin negotiations to borrow fresh IMF credits. Talks are under way with a group of support countries, led by Japan and France, to lend Vietnam the funds required to repay its IMF arrears, the spokesman said.

The United States agreed earlier this month to stop opposing IMF lending to Vietnam after progress in the search for U.S. servicemen who went missing during the Vietnam war. Muto urged Nguyen Manh Cam to redouble efforts to normalize relations with Washington, the spokesman said.

With Hanoi-Washington ties improving, Japan has resumed official lending to Vietnam.

SRV's Nguyen Manh Cam Comments on ASEAN*BK2807064193 Singapore BUSINESS TIMES in English 27 July 93 p 7*

[Text] Singapore—Will he? Or won't he?

Come September, when the issue of the 18-year-old United States economic embargo against Vietnam comes up for renewal, that question will be asked of President Bill Clinton.

Judging by the recent softening of U.S. policy towards Vietnam, a positive answer has a slight edge.

But Vietnam's Foreign Minister Nguyen Manh Cam was more circumspect. "It totally depends on the U.S. It also depends on the internal situation in the U.S. We cannot foresee when it will happen," he said.

He hastened to add that the sooner the Clinton administration lifts the U.S. embargo against Vietnam, the better it will be for businessmen of both countries.

Mr Cam sees a ray of hope in the cloud of uncertainties in U.S.-Vietnam relations. "A trend leading to normalisation and the lifting of the U.S. embargo is now developing. We have done all the necessary things contributing to the normalisation of relations between the two countries," he said.

"American businessmen have signed a number of contracts and they are now waiting for the lifting of the embargo in order to implement their plans," he said.

Just before he left office former U.S. president George Bush allowed American firms to set up offices in Vietnam and to sign contracts, but they could not actually invest there. Recently, Mr Clinton went a little further and dropped U.S. objections to France and Japan arranging finance for Hanoi to repay its old US\$140 million (S\$224 million) debt to the International Monetary Fund (IMF).

This was the signal the Vietnamese were waiting for. They will qualify for loans from the World Bank and the IMF when the debt is repaid.

Other things are looking up for Hanoi. This week Vietnam took its seat as an observer at the Asean Ministerial Meeting in Singapore—a sign of its integration with the region.

Mr Cam, who attended that key meeting, said he sees an "organic and logical" association between peace and stability on the one hand, and cooperation and development on the other.

Mr Cam said: "Following the dramatic changes in the world situation, the prevailing trend is for cooperation for development. That is the common desire of countries in this region.

"Disputes must be settled through peaceful negotiations. When this is assured, we will have peace and security in the region."

He said Vietnam is cooperating with ASEAN to realise the concept of a Zone of Peace, Freedom and Neutrality. Towards this end, the Russian presence in Vietnam's Cam Ranh Bay has been dramatically reduced.

"Since Vietnam was liberated (in 1975), Cam Ranh Bay has not been a military base for foreigners. The ships of the former Soviet Union were licensed to pass through (Cam Ranh Bay) and use it for logistics.

"When the Soviet Union collapsed, this agreement still continued to exist between Vietnam and Russia. But, in fact, the number of ships passing through this port is much smaller than before."

Cam Ranh, he affirmed, will not become a foreign military base.

But South-east Asia is witnessing an arms race of sorts, with many countries buying sophisticated weapons. Even the Russians are entering the sweepstakes to sell their fighter aircraft to countries in the region. How does Mr Cam view this?

I understand that all the countries in the region desire peace, cooperation and development. I think these equipments (weapons) are necessary for their own defense.

"I don't think that any ASEAN country wishes to create a complicated situation. Through the ASEAN foreign ministers' statement (over the weekend) we understand they wish to have peace and stability for the sake of development. We and the ASEAN countries do not want a military arms race to occur in this region," he said.

But when it comes to the Paracel Islands in the South China Sea which are claimed by Vietnam and China, Mr Cam stuck firmly to his country's position. "History has certified that it belongs to Vietnam."

He added: "No country should do anything to complicate the situation. The construction of an airbase in the Paracels (by China) will make the situation more complicated, and it is not in accordance with the agreements reached between the two sides."

Mr Cam said the two sides agreed to solve their claims peacefully during a meeting of top officials of Vietnam and China. But China, as it turned out, did not adhere to the accord.

As for the Spratly Islands in the South China Sea, he said Vietnam advocates solving the issue through discussions between the claimants—China, Vietnam, Malaysia, Brunei, the Philippines and Taiwan. "All sides should exercise self restraint, which is in accordance with a declaration issued by ASEAN last year in Manila," he said.

Does Mr Cam think China will accede to the ASEAN Treaty of Amity and Cooperation in South-east Asia, which binds the signatories to maintaining peace in the region and may now be expanded to include other countries.

"As far as we understand China supports the principles of the treaty. But this is a treaty for South-east Asian countries. China is a part of Asia; it is an Asian country, not a South-east Asian country.

"I don't see any kind of accession to the treaty. The principles outlined in the treaty are for confidence-building, and not only do the South-east Asian countries realise this but also other countries," he said.

ROK Foreign Minister Proposes Trade Center

SK2707092693 Seoul YONHAP in English 0829 GMT 27 Jul 93

[Text] Singapore, July 27 (YONHAP)—South Korea hopes for early negotiations to establish a special center to promote trade and exchanges with the Association of Southeast Asian Nations (ASEAN), Foreign Minister Han Sung-chu told ASEAN members Tuesday.

"... ASEAN proposed the establishment in Seoul of a multipurpose institution devoted to the advancement of trade, investment, tourism, and cultural exchanges between Korea and ASEAN, tentatively named 'ASEAN Promotion Center'," Han said in an annual session with the six-nation group.

"We view this as an excellent proposal deserving our full attention. We hope to be engaged in close consultations with ASEAN on this project," Han said.

Seoul became an ASEAN sectoral dialogue partner in 1989 and was upgraded to a full dialogue partner in 1991. The regional group is Korea's fourth largest trading partner after the United States, Japan and the European Community.

Last year, Korean trade with the three largest traders diminished while trade with ASEAN nations actually grew 18.3 percent.

"... Qualitative changes are also apparent as evidenced by Korean investments in ASEAN shifting from labor-intensive to capital- and technology-intensive sectors," the foreign minister pointed out.

He pledged full support for the association's Common Effective Preferential Tariff (CEPT), hoping that it would go into effect this year to provide a favorable climate for improved trade and investment between Korea and ASEAN.

Japan, ROK To Cooperate in EAEC Talks

OW2707150693 Tokyo KYODO in English 1410 GMT 27 Jul 93

[Text] Singapore, July 27 KYODO—Japan and South Korea agreed Tuesday [27 July] to cooperate closely in discussing details of a proposed East Asian economic grouping. The accord was reached at a 50-minute meeting between Japanese Foreign Minister Kabun Muto and his South Korean counterpart Han Sung-choo, a Japanese spokesman said.

The Association of Southeast Asian Nations (ASEAN) agreed last week at a meeting of foreign ministers to place the East Asia Economic Caucus (EAEC) within a broader-based Asia-Pacific economic forum. But ASEAN economic ministers will have effective control over the new grouping.

Muto welcomed the accord Monday in his opening address to an annual conference of ASEAN foreign ministers and their counterparts from major trading partners, including Japan and South Korea.

The spokesman said Han appreciated the Japanese Government's interviews with former South Korean "comfort women" forced to provide sex for Japanese soldiers during World War II. He voiced hope that results of the interviews, begun in Seoul on Monday to collect evidence of the women's claims, would be made available to South Koreans "in a manner convincing to them," the spokesman said.

The two ministers also agreed that Japan and South Korea should work together in helping conclude the deadlocked Uruguay Round of world trade talks which involve areas of common interest, he said.

ASEAN Accepts Pakistan as Sectoral Partner

BK2707071293 Kuala Lumpur Voice of Malaysia in English 0600 GMT 27 Jul 93

[Text] ASEAN has accepted Pakistan as a sectoral partner while Mexico's application to be one is still being considered. ASEAN Secretary General, Datuk Ajit Singh, said Islamabad was keen to strengthen ties in the investment, trade and tourism sectors similar to that the grouping has established with India.

He told reporters in Singapore a joint sectoral committee comprising government officials will be established to discuss the various issues. The sectoral partner can participate in meetings with ASEAN on certain sectors such as investment, trade and tourism, finance and banking, transport and communications.

ASEAN, Partners Agree on Burma, Vietnam

BK2707120493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 27 Jul 93

[Text] ASEAN foreign ministers and their dialogue partners have agreed that ASEAN countries are in a better

position to encourage positive changes in Myanmar [Burma]. They said ASEAN would continue its efforts to encourage reforms in the country. The ministers made these comments after the second closed door session at the 26th ASEAN post ministerial conference this morning.

On Vietnam, they agreed that the international community should give financial and technical aid to help the country. The ministers also expressed serious concern over the worsening situation in Bosnia-Herzegovina. They said the breakup of a UN state was a dangerous precedent to other states with multiethnic makeup.

During the ASEAN-Japan dialogue session this afternoon, both sides agreed to strengthen ties. The Japanese foreign minister said efforts must be made to strengthen the free trading system through the Uruguay Round. Mr. Muto said Japan also looked forward to ASEAN countries' contributing positively to negotiations in Geneva.

During ASEAN's session with South Korea, both sides confirmed their interest in setting up an ASEAN promotion center in Seoul. Speaking on behalf of ASEAN, Malaysia's Foreign Minister Datuk Abdullah Ahmad Badawi said the center (would assist) ASEAN to promote trade, investment, tourism, and culture in South Korea. It can be partially funded from the special cooperation fund established by the South Korean Government.

At another dialogue session, ASEAN and New Zealand agreed to set up a joint management committee on economic cooperation. [Words indistinct] trade and investment promotion and cooperation in science and technology. [Words indistinct] joint programs will be better planned and managed to ensure both sides with maximum benefits in the commodities sector.

Malaysian Minister Raises Issue of Bosnia

*BK2807060993 Kuala Lumpur BERNAMA in English
0329 GMT 28 Jul 93*

[Report by Azhar Ghazali]

[Text] Singapore, July 28 (OANA/BERNAMA)—European countries keen to raise the issue of human rights in Myanmar [Burma] should rightly be more concerned about the plight of the people in Bosnia-Herzegovina, Malaysia's Foreign Minister Abdullah Ahmad Badawi said Tuesday. While the Myanmar people had problems establishing democratic government, the Bosnians were faced with the threat of being annihilated by the Serbs, he told the full session of the ASEAN Post Ministerial Conference with its seven dialogue partners here.

The European countries are so concerned with Myanmar but the Bosnians' fate is far worse because their country may be destroyed, Abdullah, who spoke on behalf of ASEAN on the Bosnian issue, told reporters after the meeting which entered its second day today.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, Thailand, the Philippines and Singapore.

They face the possibility of their race becoming extinct. They have become refugees and their country may be seized by Serbia. What is going to happen to them? he said.

Abdullah told the dialogue partners—the United States, Japan, Australia, New Zealand, South Korea, Canada and the European Community (EC)—that the international community should take immediate steps to end the 16-month-old war in Bosnia-Herzegovina.

He also briefed the meeting on the decision by the Organisation of Islamic Conference (OIC) to send 20,000 soldiers to serve under the United Nations Protection Force (UNPROFOR) in Bosnia to help protect the Muslims there.

(OIC members have urged the UN to lift the arms embargo on Bosnia-Herzegovina to enable the Muslims to defend themselves against the Serbs.)

Abdullah said all those who spoke on the Bosnian issue expressed their regret and sadness over the sufferings of the Bosnians.

The EC representative Hans van den Broek told the meeting that it was stepping up efforts to bring peace to the former Yugoslav federation, he added.

U.S. Secretary of State Warren Christopher gave an assurance that his country would continue to make efforts to end the conflict there, he said.

The six plus seven session, which also discussed the situation in Myanmar, Vietnam and economic issues, was followed by the one plus one sessions between ASEAN and the dialogue partners individually.

Abdullah said his New Zealand counterpart Don McKinnon, at a bilateral working lunch, had asked Malaysia to continue giving full support to all UN peacekeeping forces.

Abdullah proposed to New Zealand that it upgrade its bilateral relationship with Malaysia as well as its ties with ASEAN.

At the ASEAN-New Zealand dialogue later Abdullah expressed confidence that ASEAN and New Zealand could further enhance the substance and quality of their current strong relationship.

McKinnon, in his opening address, noted the support given by ASEAN countries for New Zealand's bid for a UN Security Council seat. The first seven months on the council have been hectic. There have been many pressing and serious issues to consider, he said.

McKinnon, who is also the deputy prime minister assured ASEAN that New Zealand would continue to

consult closely with ASEAN on Security Council matters and would take into account the grouping's views.

In a statement issued at the end of Tuesday's session, a PMC spokesman said the meeting expressed serious concern over what it described as the deteriorating situation in Bosnia-Herzegovina.

The spokesman said it was pointed out at the meeting that the dismemberment of a UN state was a dangerous precedent.

The failure of the international community to act decisively in Bosnia-Herzegovina could be the seed of a continuing long term problem for the international community he added.

It was also pointed out that the contest in the war-torn state was between unequal parties and the Bosnian Muslims were being forced to accept a settlement because they lacked the means of self-defence.

At the same time, the international community was not willing to protect them, the spokesman said.

Singapore Official on ASEAN-Japan Ties

OW2707124393 Tokyo KYODO in English 1205 GMT 27 Jul 93

[Text] Singapore, July 27 KYODO—Japan's active role in political and security dialogue with Southeast Asia "reflects a maturing of the ASEAN-Japan relationship," Singapore Foreign Minister Wong Kan Seng said Tuesday [27 July].

"The challenge for ASEAN and Japan is to work with each other and with other countries to advance the peace, prosperity and stability of the region in a way acceptable to all," Wong said in a statement at the opening of an annual dialogue session between the six-nation grouping and Japan.

ASEAN's six member countries—Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand—were all occupied by Japan's Imperial Army during World War II.

Japanese Foreign Minister Kabun Muto reaffirmed Tokyo's position that it will contribute positively to these dialogues so they will produce "results for the peace and stability of the region."

On Monday, Muto pledged that Japan will play an "active" role in the 18-nation ASEAN regional forum that will take up political and security issues when it meets for the first time in Bangkok next year.

A senior Japanese official told reporters that the meeting between Muto and his ASEAN counterparts focused on trade, investment and industrial cooperation. Among those taken up were requests by the ASEAN side for more direct Japanese investments as well as increased access for ASEAN products and services into Japan, he said.

He said that ASEAN-Japan trade totaled 58.3 billion dollars in 1992, a large portion being made up of natural gas and oil imports.

Muto expressed Japan's readiness to cooperate in the economic and industrial fields but also pointed out the need for ASEAN countries to "promote the investment environment" and develop their technological and industrial skills.

Both sides agreed to develop close ties by increasing academic and cultural exchanges. Japan invited ASEAN countries to "introduce their own culture in Japan," the Japanese official said.

On the East Asia Economic Caucus, Muto said Japan "highly valued" the consensus reached during the ASEAN ministerial meeting, but asked his counterparts for more details before making a decision on whether to join the economic grouping.

Singapore's Goh Assures U.S. of EAEC Goal

BK2707143093 Singapore Singapore Broadcasting Corporation in English 1400 GMT 27 Jul 93

[Text] Prime Minister Goh Chok Tong says ASEAN will not use the East Asia Economic Caucus [EAEC] to exclude the United States. He said the EAEC and NAFTA [North American Free Trade Area] have the same objective of keeping international trade open. The removal of trade barriers by both groupings would serve to eventually link the economies of North America and East Asia closely. Mr. Goh made the point when the U.S. secretary of state, Warren Christopher, called on him at the istana [palace] this afternoon.

A Foreign Ministry spokesman said Mr. Goh assured Mr. Christopher that ASEAN countries wanted the U.S. to stay engaged in the region.

Christopher Cuts Short Singapore Trip, Departs

OW2707151593 Tokyo KYODO in English 1458 GMT 27 Jul 93

[Text] Singapore, July 27 KYODO—U.S. Secretary of State Warren Christopher on Tuesday [27 July] left Singapore for Washington, cutting short his visit for a regional meeting on account of troubling developments in the Middle East.

"I have been following the dramatic escalation of violence in Southern Lebanon and Northern Israel with great concern, and I will be discussing (with President Bill Clinton) the impact of these events on the peace process," he said in a statement.

Christopher was scheduled to visit the Middle East next week to jump-start the stalled peace process.

His sudden departure quashed a scheduled meeting with Japanese Foreign Minister Kabun Muto on Wednesday,

the last day of an annual meeting between the Association of Southeast Asian Nations (ASEAN) and its seven dialogue partners.

During a meeting earlier in the day with his ASEAN counterparts, Christopher praised the six-nation bloc for having a pattern of cooperation and dialogue which "can be an example for other parts of the world." At the same time, he reiterated the United States' intention to "fulfill its leadership role" in the region and reaffirmed Washington's "commitment to work with ASEAN."

Brunei's Foreign Minister Mohamed Bolkiah, speaking on ASEAN's behalf, said a continued U.S. presence in the region would be welcome.

"In the past, this has brought not only peace and security but has also helped our economic cooperation with our leading trade partner," the Brunei foreign minister said in a statement released after the meeting.

Noting continued security threats in the region, Christopher said the U.S. "Places great value" on its treaty alliances with Thailand and the Philippines.

He said that even without permanent bases, the U.S. can support its forward military deployment through the "places not bases" approach which relies on access to host government facilities and through commercial arrangements.

Christopher also welcomed multilateral security consultations spearheaded by ASEAN which "can help reduce tensions, enhance openness, and discourage arms races and other destabilizing actions."

On Cambodia, Christopher cited ASEAN's role in the peace process and backed its efforts to support Cambodia's "valiant struggle" to become a stable and self-sustaining country.

He also touched on Myanmar [Burma], urging ASEAN to press the nation's military government to free opposition leader Aung San Suu Kyi, adopt fundamental political reforms and respect human rights.

On regional economic trends, Christopher expressed Washington's desire to explore "potential linkages" between North American and ASEAN free trade areas.

Christopher reiterated the importance of the Asia-Pacific economic cooperation forum, saying that it can be "one of the focal points for building a new Pacific community."

Tokyo Supports Indefinite Extension of NPT

OW2807064793 Tokyo KYODO in English 0630 GMT 28 Jul 93

[Text] Singapore, July 28 KYODO—Japan will support indefinite extension of the Nuclear Non-Proliferation Treaty (NPT) beyond 1995, Foreign Minister Kabun Muto said here Wednesday [28 July].

Muto made the remark in a press conference after the annual ministerial meeting of members of the Association of Southeast Asian Nations (ASEAN) and their major trading partners.

Japan has so far remained ambiguous over whether to back indefinite extension of the pact, pointing to slow nuclear disarmament efforts among the world's five nuclear powers and North Korea's suspected nuclear development.

U.S.: Move 'Positive Step Forward'

OW2807093393 Tokyo KYODO in English 0900 GMT 28 Jul 93

[By Masanori Kikuta]

[Text] Singapore, July 28 KYODO—Japan on Wednesday [28 July] gave the first clear indication of its readiness to support an indefinite extension of the Nuclear Non-Proliferation Treaty (NPT) beyond its expiry in 1995, inviting a quick welcome from the United States.

"Because of the general election that we had recently, there remain some procedural matters to be take care of," said Foreign Minister Kabun Muto said of Japan's final decision on the issue.

"However, we should continue to make efforts to move in the direction of an indefinite extension of the treaty."

Muto made the remarks at a joint news conference with his colleagues of other dialogue partners of the Association of Southeast Asian Nations (ASEAN) at the end of an annual regional ministerial meeting.

"I think it is a very positive step forward in terms of the extension of the treaty," said Winston Lord, U.S. assistant secretary of state for East Asian and Pacific affairs.

"We were pleased to hear his comments," Lord told reporters afterward.

Japan stopped short of showing clear-cut support for an indefinite extension during the Tokyo summit of seven major economic powers earlier this month.

Coupled with its controversial two-month shipment of plutonium from France that ended last January, the indecision has aroused international suspicion about Japan's policy of not possessing, producing or allowing nuclear arms into its territory.

Muto said that during a closed session of the meeting he went beyond what he had said about the NPT issue in his opening address. He explained that he feared the world might misunderstand Japan's position on the nuclear [issue] unless he expressed a "more forthcoming stance."

In the address, he only said that for the purpose of strengthening the NPT, it is "necessary to secure universal adherence to the treaty" and lead an expected international conference on its extension in 1995 to a success.

At the news conference, Muto said Japan "wishes to appeal strongly for a significant reduction in nuclear weapons around the world."

The NPT conference will decide whether to extend the treaty for a certain period or indefinitely.

As of last February, 157 countries signed the treaty, which took effect in 1970.

Among countries yet to do so are India, Pakistan and Israel, which are believed to be capable of producing nuclear arms.

North Korea declared in March that it is withdrawing from the pact, rejecting inspections by the International Atomic Energy Agency (IAEA) at two suspected nuclear sites. But after high-level talks with the United States, North Korea announced last month that it is suspending its decision to withdraw from the NPT.

The treaty bars signatories from producing nuclear arms or obtaining them from nuclear powers, and it requires nonnuclear countries to undergo inspection by the IAEA.

Japan**Government, Steel Makers Criticize U.S. Ruling**

OW2807041193 Tokyo KYODO in English 0344 GMT
28 Jul 93

[Text] Tokyo, July 28 KYODO—The Japanese Government and steelmakers complained Wednesday [28 July] about a U.S. ruling on a longstanding steel dispute, saying it would harm both American and Japanese industry.

The Ministry of International Trade and Industry (MITI) voiced dissatisfaction with the ruling by the International Trade Commission (ITC) to partially endorse a government decision to impose punitive tariffs on certain rolled steel imports from Japan and 18 other nations. "We have voluntarily restrained steel exports to the U.S. and it is unthinkable our exports have dealt any damage to American makers," the ministry said in a statement. "The decision will affect U.S. steel users as well and may undermine the international competitiveness of the entire U.S. industry," it warned.

The ITC, an independent U.S. agency, ruled Japanese makers of corrosion-resistant steel have materially injured the steel industry in the U.S. by dumping or selling their products at unfairly low prices. But the commission ruled against a Commerce Department charge that Japanese producers of hot-rolled and cold-rolled steel also have dumped in the U.S. market and hurt U.S. industry.

The MITI official said the ministry will continue to try to resolve the issue through arbitration under the General Agreement on Tariffs and Trade (GATT) or other multilateral channels like the 30-nation Multilateral Steel Arrangement (MSA) forum.

Meanwhile, the nation's steelmakers echoed the MITI warning that the determination will be unfortunate for U.S. industry as well.

Hiroshi Saito, chairman of the Japan Iron and Steel Federation, said, "The ruling reflects nothing of our arguments and is incomprehensible."

An executive of Kawasaki Steel Corp. said the dumping ruling on corrosion-resistant steel will damage U.S. companies which have constantly imported steel products from Japan.

On the two types of steel which escaped punitive duties, industry officials said the decision reflects "the voices of American users."

Some U.S. manufacturers which use steel products have rallied against a government move to keep Japanese imports at bay.

Tokyo, U.S. Compete for Supercomputer Procurement

OW2807003693 Tokyo KYODO in English 2310 GMT
27 Jul 93

[Report by Hisa Miyatake]

[Text] Tokyo, July 28 KYODO—Japanese and U.S. supercomputer vendors have begun heated competition over Japanese Government procurement of 11 supercomputers in a series of scheduled tenders in late October under a supplementary budget.

The government will purchase altogether 15 supercomputers worth 30 billion yen this fiscal year, but four of them, earmarked in the initial budget, have already been ordered from Japanese companies NEC Corp., Fujitsu Ltd. and Hitachi Ltd.

U.S. supercomputer maker Cray Research Inc. is aiming to acquire the same share in Japan as it holds in the rest of the world. In 1992, Cray held a 60 percent world market share.

"It is hard to make any guess for procurement results at this moment as no detailed specifications of proposals have been announced," said Sumiyuki Kazama of the Daiwa Institute of Research, a research arm of Daiwa Securities Co.

"But Cray and other U.S. makers are likely to stage a comeback and win several of the 11 bids."

Kazama said the government is expected to procure at least four parallel-processing computers and there is a strong possibility U.S.-made machines will get the nod.

The computers will be used at four national research institutes and data-processing centers.

Parallel processing boosts efficiency by allowing several sets of commands to be carried out simultaneously.

NEC is expected to offer the government parallel-processing computers made by Thinking Machines Corp. and Intel Corp., both of the United States. According to an NEC spokesman, the company plans to take part in all 11 bids.

Business or technical reasons aside, it is hard to predict who will be successful because of the method of procurement.

A spokeswoman for Cray Research Japan Ltd., Cray's wholly owned subsidiary, said, "Our company hopes the government will undertake a full technical examination in purchasing supercomputers."

"We believe our product will be proved to outperform Japanese ones if a full-scale benchmark test is carried out. But the examination body usually does not go further once a necessary standard is cleared," she said.

In addition to such technical aspects, the U.S. manufacturers often complain that Japanese makers discount prices too much for universities and other academic institutions.

Analysts said the Japanese firms have cut prices by more than 50 percent for public procurement competition, even though their supercomputer businesses suffered losses as a result.

A senior executive of Fujitsu said, however, there is no favoritism toward Japanese makers in procurement, noting the procurement system is "clear and transparent."

Cray lost a controversial competitive bid to Fujitsu for a supercomputer bought by the National Institute of Fusion Science in July 1992.

"But Cray research officials were allowed to see the process of installing and operating the machine at the institute. That is a typical example that Japan's procurement system is open," the Fujitsu executive said.

Tadahiro Sekimoto, head of the Electronic Industries Association of Japan, said it is unreasonable that the U.S. pressures Japan to purchase more U.S. supercomputers while shutting Japanese models out of the U.S. market.

Supercomputers, which cost millions of dollars and handle massive amounts of data, are used frequently for research, defense, and auto and aeronautical design.

Supercomputer procurement has become a most sensitive issue in trade negotiations between Japan and the U.S., which agreed July 10 that "objective criteria" will be used to measure progress in increased exports of U.S. autos and computers to Japan.

If Japan does not choose U.S. supercomputers later this year, Washington may take a tough stance and introduce a results-oriented target similar to the 20 percent goal it set for Japanese purchases of foreign semiconductors.

A researcher at a leading private think tank said, "I think U.S. makers will win nearly half of all the orders for political reasons."

"Japan will benefit by giving in this time so that it will be able to enter the U.S. market in the near future," the researcher said.

In any case, objective comparisons of supercomputers are difficult since each model is designed to excel at particular kinds of calculations, he said.

U.S. Soldier Suspected in Rape Case Escapes

*OW2307134093 Tokyo KYODO in English 1318 GMT
23 Jul 93*

[Text] Naha, July 23 KYODO—A U.S. soldier suspected of raping a Japanese woman has escaped from his

military base on Okinawa and returned to the United States by plane, Okinawa prefectural police said Friday [23 July].

On Wednesday [21 July], the Foreign Ministry notified the U.S. Embassy in Japan regrets over the July 17 escape of Army Sgt. [Sergeant] Tony C. Young, who had been ordered to stay confined to the U.S. base in the village of Yomitan-son in central Okinawa. The ministry urged U.S. bases to make their measures for confining such suspects more strict in the future and asked the U.S. to do its utmost to arrest the runaway sergeant.

Young, 25, allegedly raped a 19-year old woman from Okinawa within the confines of the U.S. base in Kadena, Okinawa Prefecture, in late May.

Earlier this month Young voluntarily submitted to questioning by Okinawa police, and documents were sent to the Naha District Prosecutors Office, they said.

The U.S. Army placed Young under supervision and prohibited him from leaving the base, but the sergeant managed to slip away July 17. He boarded a Continental Airlines flight from Naha via Guam and Honolulu to Los Angeles the same afternoon. Young's whereabouts after his arrival are not known.

In response to a U.S. Army request for local cooperation, Japanese police have put Young on a nationwide wanted list in case he returns to Japan.

Poll Reveals Stronger Yen's Impact on Exports

*OW2607105293 Tokyo KYODO in English 1032 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Most Japanese manufacturers will be unable to garner profits on export products if the U.S. dollar stays below 110 yen, the Japan External Trade Organization (JETRO) said Monday [26 July].

JETRO said a survey of 949 manufacturers nationwide found that only 21 of 527 respondents replied that they could make profits on exports at an exchange rate of below 110 yen to the dollar. The survey was conducted in early May.

Of the respondents, about 30 percent, or 144 firms, replied that they could manage to make profits on exports at an exchange rate of above 110 yen.

The findings show that "if the yen climbs further against the dollar, there will be a serious impact on the export front," a JETRO official said, briefing reporters on the survey.

The survey showed that the average exchange rate at which the 527 firms could make money on exports was 120.2 yen, compared with an average 138.1 yen five years ago when the national economy was also shaken by the yen's sharp appreciation.

But 61.3 percent of 775 respondents said the latest appreciation has had a greater impact on their business than the previous one seen in the aftermath of the so-called Plaza Accord in 1985.

Of the 775 respondents, 41.5 percent said the yen's appreciation has affected their export business and 41.6 percent replied that it will affect their export business in the future.

Among industries hit hard by the stronger yen were paper-pulp, nonferrous metal, electronics and electric machinery, electronics parts, transport machinery and related parts and precision machinery, according to the survey.

Many companies said they will take the same measures as those taken five years ago, which includes cutting production costs and increasing the manufacture of value-added products to compete in overseas markets.

The JETRO official said the findings suggest that the stronger yen will deal a severe blow to the domestic economy and put a lid on imports rather than stimulate imports or help cut Japan's trade surplus as sought by the United States.

The survey showed an increase in the number of companies replying that they will promote imports of products made at their overseas plants and increase overseas procurements of parts in order to deal with the yen's rise.

As for imports, 47.4 percent of 862 respondents said they will expand imports of parts and other materials for their products, the survey showed.

JETRO Reports on World Trade 'Recovery'

*OW2607094793 Tokyo KYODO in English 0851 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Growth in global trade outpaced that in economic growth in 1992, signaling that world trade is back on the path of recovery after years of slack growth, the Japan External Trade Organization (JETRO) said Monday [26 July].

The pace of growth in global trade stood at 4.2 percent last year in terms of volume, while that of economic growth was an inflation-adjusted 1.8 percent, JETRO said, citing statistics from the International Monetary Fund.

In its 1993 white paper on global trade, JETRO noted that East Asia, including China, continued to serve as a locomotive as its share in global trade increased steadily.

East Asia accounted for 14.15 percent of global exports last year, up from 13.76 percent in 1991, and for 13.73 percent of global imports, also up from 13.04 percent, JETRO said.

JETRO ascribed the growth of East Asian trade largely to a choppy rise in exports of industrial goods by the region,

which accounted for more than 10 percent of global trade to nearly match Japan and the United States.

In the 1980s, the pace of growth in exports of industrial goods averaged 14.8 percent in so-called newly industrialized economies (NIEs), 24.8 percent in Thailand, 20.7 percent in Malaysia and 17.8 percent in China.

These figures far outnumbered those in industrial nations as the average pace of growth stood at 7.9 percent in the European Community, 8.4 percent in Japan and 7.4 percent in the United States.

During the same period, the average pace of growth in global exports of industrial goods was 8.3 percent.

Muto Hints at UN Economic Sanctions on DPRK

*OW2807131093 Tokyo KYODO in English 1243 GMT
28 Jul 93*

[Text] Singapore, July 28 KYODO—Japanese Foreign Minister Kabun Muto said Wednesday [28 July] the United Nations may impose economic sanctions on North Korea if Pyongyang does not accept international inspections of its nuclear facilities. The facilities are suspected of being part of a clandestine nuclear weapons development program.

Muto told Japanese reporters traveling with him that it is possible that U.N. members will carry out an economic blockade against North Korea if the U.N. Security Council passes such a resolution.

Pyongyang on July 19 agreed with the United States to meet with officials of the International Atomic Energy Agency (IAEA) as soon as possible to discuss inspections.

Muto attended a conference in Singapore of foreign ministers from the Association of Southeast Asian Nations (ASEAN) and its major trading partners. The Japanese foreign minister stressed in a speech to the conference that suspicions of Pyongyang developing nuclear arms is a threat to the Asia-Pacific region.

ASEAN is composed of six nations—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Cooperation With PRC Mineral Project Planned

*OW2307103993 Tokyo KYODO in English 1021 GMT
23 Jul 93*

[Text] Tokyo, July 23 KYODO—Two Japanese Government-affiliated organizations said Friday they will cooperate with Beijing in exploring southern China for metal resources as a way to solve a copper shortage in the country.

The Japan International Cooperation Agency and the Metal Mining Agency of Japan have already signed an accord with China National Nonferrous Metals Import and Export Corp. The three parties will work in a 150,000-square-kilometer area that extends from Mian Xian in Shaanxi Province to Yuan Jiang in Yunnan

Province. The area holds some of China's richest deposits of copper, lead, zinc, nickel and cobalt.

In fiscal 1993, the three parties will analyze satellite photographs to narrow down specific areas for exploration. The agencies said they will begin full-fledged development of the areas over five years, beginning in fiscal year 1994.

Toyota, Nissan Trim Auto Exports to China

*OW2707081993 Tokyo KYODO in English 0715 GMT
27 Jul 93*

[Text] Tokyo, July 27 KYODO—Toyota Motor Corp. and Nissan Motor Co., Japan's top two automakers, are hitting the brakes on finished-car exports to China where demand has sharply dropped, company officials said Tuesday [27 July].

Other Japanese automakers are expected to follow suit, responding to the decline stemming from China's economic policy aimed at reining in its overheating economy, they said.

Automobile imports into China showed signs of a downturn in June, hampered by China's tight monetary policy, tightened controls on imports and the yen's sharp appreciation against the yuan.

Toyota exported 35,000 finished vehicles to China in the first half of the year, surpassing the 33,693 it shipped last year.

But Toyota expects to nearly halve its exports to 3,000-4,000 units in July from the average monthly shipments in the first half of the year.

"We have already taken a step to adjust production for exports to China," said Toyota Managing Director Akira Yokoi.

Nissan's exports to China also showed the same pattern as the second-largest Japanese automaker more than doubled its shipments to that country to 24,515 in the first half from a year earlier.

But Nissan forecast its exports to China will be less than 2,000 in July, or the lowest monthly level this year, and Nissan officials noted that the low volume of shipments will continue for a while.

Auto industry and trade officials are divided over the outlook for China's auto market. Toyota's Yokoi said he is braced for a tough year ahead because China is likely to maintain its tight monetary policy at least for two years.

One trade official said, however, that he expects a recovery of China's imported auto market late this year because China appears to be unable to put tight import control measures in place due to its bid for membership in the general agreement on tariffs and trade (GATT).

But Yokoi and others, citing potentially strong demand for automobiles in China, agreed that the latest slump will not develop into the situation seen in 1989 when Beijing tightly regulated auto imports.

Government Seeks To Host G-7 Jobs Summit

*OW2307075993 Tokyo KYODO in English 0534 GMT
23 Jul 93*

[Text] Tokyo, July 23 KYODO—Japan will seek to host the second "jobs summit" of Group of Seven (G-7) nations when the first such meeting is held in September in the United States, Labor Minister Masakuni Murakami said Friday [23 July].

The first "jobs summit" to tackle persistent unemployment in developed countries is being planned following a proposal made by President Bill Clinton earlier this month at the meeting of G-7 leaders in Tokyo.

In the G-7 summit's economic declaration, the leaders agreed to send high-level representatives to the U.S. this fall for a follow-up session to discuss the causes of "excessive unemployment" in the developed countries and to search for possible solutions.

On Friday, Murakami told reporters that Japan is preparing for the September meeting and will aim to be named the site for the second meeting on jobs.

At the Tokyo summit, the G-7 leaders noted that there are 23 million unemployed in their countries, attributing the "unacceptable" figure more to structural factors than the worldwide economic slowdown.

Ships Carrying Refugees Spotted Off Kagoshima

*OW2507035393 Tokyo KYODO in English 0336 GMT
25 Jul 93*

[Text] Kagoshima, July 25 KYODO—Two wooden ships apparently carrying refugees were spotted heading toward Japan in the East China Sea early Sunday [25 July] morning, the Maritime Safety Agency said.

Two patrol boats of the agency came across the two ships some 160 kilometers west of Tokunoshima Island at around 6 A.M., according to officials at the No. 10 regional maritime safety headquarters in Kagoshima. The patrol boats reported seeing 29 people on the deck of one of the ships and 30 on the other.

The two ships will be detained if they enter Japanese territorial waters, which they are expected to do at around 8 P.M. Monday, the agency said. If those on board are confirmed to be refugees, they will be taken to an immigration center in Omura, Nagasaki Prefecture, the officials said.

\$10 Million-Aid Announced for African Refugees*OW2307124693 Tokyo KYODO in English 1027 GMT
23 Jul 93*

[Text] Tokyo, July 23 KYODO—Japan is to contribute 10 million dollars for repatriation and resettlement of refugees in Africa, the Foreign Ministry said Friday [23 July].

Officials said the funds will go to the United Nations High Commissioner for Refugees (UNHCR) to finance its efforts to assist refugees from Ethiopia, Liberia, Mozambique, Somalia, Sudan and Togo.

The funds are in addition to 7 million dollars already contributed by Japan so far this year for UNHCR humanitarian operations in Africa.

Tokyo, Pretoria Agree To Sign Aviation Accord*OW2607064493 Tokyo KYODO in English 0536 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Japan and South Africa have agreed to sign a bilateral aviation agreement, paving the way for regular flights between the two countries, the Transport Ministry announced Monday [26 July].

The agreement came at bilateral talks held in Pretoria since last Wednesday, ministry officials said.

In preparatory talks held in Tokyo last November, the two countries agreed to allow each other's airlines to make two flights a week between new Kansai International Airport in Osaka and Johannesburg. The new international airport, now being built on a manmade island in Osaka Bay, is scheduled to open next summer.

Keidanren Meeting Ends; Pledges 'New Order'*OW2407102093 Tokyo KYODO in English 0934 GMT
24 Jul 93*

[Text] Oyama, Shizuoka Pref., July 24 KYODO—Top officials of the Federation of Economic Organizations (Keidanren) wrapped up a three-day meeting here Saturday [24 July] with a pledge to take an initiative to rebuild a new order in the wake of the collapse of single-party rule in Japan.

Officials of the powerful business group said the pledge was made by 26 executive members who attended the session in Oyama at the foot of Mt. Fuji.

The attendants agreed there is a need for the federation to take the initiative toward changes in political, administrative, economic and corporate management systems which will result from an end to the nearly four decades of government by the conservative Liberal Democratic Party (LDP).

The LDP, which has been in power since it was founded in 1955, failed to win a majority in the powerful House of Representatives in a general election held last Sunday.

The Keidanren officials said the participants led by its chairman Gaishi Hiraiwa expressed concern that the drawn-out economic slowdown may drag on further due to political instability, coupled with the yen's steep appreciation.

Hiraiwa told a news conference after the meeting that the business community hopes a new administration will implement a new package of pump-priming measures.

He said the attendants were concerned that the domestic economy may hit another bottom because of the political uncertainty and the strong yen.

Hiraiwa expressed hope that a conservative coalition government which is capable of carrying out political and administrative reforms as well as managing economic policies will come to power.

He criticized calls for the LDP to transfer power to opposition parties, noting that the LDP remains the largest single party as a result of the election.

Hiraiwa stressed the need for the party to elect a new head with strong leadership to prevent disruption of unity.

The seminar, with the theme "The World and Japanese Companies in the 21st Century," was held at the federation's guesthouse.

Keidanren To Fund Non-LDP Coalition Except SDP*OW2807123693 Tokyo KYODO in English 1122 GMT
28 Jul 93*

[Text] Tokyo, July 28 KYODO—A powerful business body made clear Wednesday [28 July] it will provide donations to any political party involved in a seven-party alliance against the ruling party, except the Social Democratic Party (SDP).

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), called an emergency news conference amid the growing likelihood of a coalition government being formed without the Liberal Democratic Party, power for the past 38 years. "In my personal opinion, we should not discriminate (in giving political donations) among parties having common principles and assertions."

Hiraiwa said Keidanren will continue with political donations to help parties pursue parliamentary democracy, including the ruling Liberal Democratic Party (LDP).

He said this will continue until public subsidies and individual donations replace corporate contributions.

Asked whether the influential business group will grant donations to the SDP, Hiraiwa replied, "I think we will not include any party believing in socialism."

Seven opposition parties—the SDP, three conservative swing groups, the Japan New Party (JNP), Sakigake (Harbinger) and Shinseito (Japan Renewal Party)—are likely to end the LDP's 38-year grip on power following the July 18 general election.

Hiraiwa for the first time acknowledged the non-LDP alliance against the LDP, calling the political shift "one of the great trends of the times. People are calling for a change. That is an option," he said.

Hiraiwa said he will support the seven-party coalition as long as it carries out parliamentary democracy and maintains a market economy.

'Political Jockeying' for LDP Post Intensifies

*OW2607134493 Tokyo KYODO in English 1306 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Political jockeying for the post of president of the long-governing Liberal Democratic Party (LDP) intensified Monday [26 July] as the deadline for filing candidacies draws near.

Former Foreign Minister Michio Watanabe reaffirmed his desire to take up the top LDP post at an emergency meeting of his faction, the third largest among six LDP factions, Watanabe faction sources said. The new LDP president will seek to become the next premier, replacing outgoing Prime Minister Kiichi Miyazawa.

Last Wednesday, Watanabe expressed a strong desire to succeed Miyazawa as LDP president and prime minister. But Watanabe reportedly said he would formally announce his intention to run on a different occasion, saying it was not appropriate to do so at a factional meeting.

Those seeking to run for the post must file their candidacies Wednesday morning. The next LDP president is set to be selected Friday by ballot involving all members of both houses in the Diet and representatives from the party's 47 prefectural chapters.

For the last 38 years the LDP has maintained a majority in the powerful House of Representatives, thus enabling whoever held the top post to automatically assume the prime ministership. But with the LDP's failure to win a majority in the 511-member lower house in the July 18 general election, the post no longer assures the premiership.

Miyazawa announced his resignation last week to take responsibility for the party's failure to win a majority in the key chamber.

A group of junior LDP legislators said Monday they will field Seiichi Ota as a candidate for party president.

Many members in the largest LDP faction, headed by LDP Policy Affairs Research Council chairman Hiroshi

Mitsuzuka, voiced support for Mitsuzuka as party president, Mitsuzuka faction sources said. Mitsuzuka indicated he will make a decision after closely studying the situation, the sources said.

Former Finance Minister Ryutaro Hashimoto said he is ready to run for the party's top post. He currently belongs to the fourth-largest faction, led by former LDP Secretary General Keizo Obuchi.

After consulting LDP Secretary General Seiroku Kajiyama and Obuchi on Monday afternoon, however, Hashimoto postponed making a final decision to run in the race due to uncertainties over support from other factions, faction sources said.

Former Prime Minister Toshiki Kaifu took a cautious stance to calls for him to run in the race. He was noncommittal about a call from a small LDP group, headed by Mutsuki Kato, a former farm minister, for him to run.

Kaifu, who belongs to the smallest LDP faction led by former state minister Toshio Komoto, is regarded as a champion of political reform efforts within the party. Junior members of the Komoto faction appeared united in supporting him as a possible candidate.

An interfactional group within the LDP agreed at its meeting to select a party president with a fresh image and one who can guide the party to victory in the next general election, group sources said. The group will decide on whom it will support as a candidate on Tuesday, they said.

A special Diet session is expected to be convened in early August to choose the new prime minister.

Meanwhile, the prospect of a non-LDP coalition government taking power is brightening as the leaders of two new conservative parties expressed their willingness to support a prime ministerial candidate put forward by the non-LDP coalition.

The leaders of the Japan New Party and Sakigake (Harbinger) said last week they will back such a candidate if the five opposition parties adopt a policy to support political reforms centering on electoral changes and anticorruption measures.

JNP, Sakigake Plan To Join Non-LDP Coalition

*OW2807032793 Tokyo KYODO in English 0318 GMT
28 Jul 93*

[Text] Tokyo, July 28 KYODO—Two conservative parties with a swing vote in the upcoming parliamentary election for prime minister told the Liberal Democratic Party (LDP) on Wednesday [28 July] they will join a coalition against the LDP, political sources said.

Japan New Party (JNP) leader Morihiro Hosokawa was quoted as telling LDP Policy Affairs Research Council Chairman Hiroshi Mitsuzuka that the JNP and Sakigake

(Harbinger) have decided to join five others in forming an alliance against the LDP.

Sakigake representative Masayoshi Takemura was also present at the meeting.

A special Diet session is expected to be convened in early August for the vote to select a new premier.

The JNP and Sakigake have a joint parliamentary strength of 49 seats, and their combined vote has been coveted by both the LDP and non-LDP alliance of five parties seeking to oust the LDP.

Both the LDP and non-LDP alliance failed to secure a majority in the July 18 House of Representatives election, prompting both groups to try to woo the JNP-Sakigake alliance.

Non-LDP Coalition Government 'Seems Certain'

OW2807074293 Tokyo KYODO in English 0706 GMT 28 Jul 93

[Text] Tokyo, July 28 KYODO—The decision Wednesday [28 July] by the Japan New Party (JNP) and Sakigake (Harbinger) to join five other parties in an alliance against the Liberal Democratic Party (LDP) seems certain to end the LDP's 38-year grip on power, political sources said.

The formation of a non-LDP coalition government now appears almost certain, the sources said.

The decision was formally conveyed to LDP Policy Affairs Research Council Chairman Hiroshi Mitsuzuka by JNP leader Morihiro Hosokawa, who said, "from now on, the seven parties will confront the LDP."

Mitsuzuka appealed in vain to the two leaders to reconsider their decision and join an LDP-led coalition, the sources said.

The leaders of the new seven-party alliance will meet Thursday evening to confirm a joint platform and call for the formation of a coalition government, the sources said.

The JNP and Sakigake had earlier agreed to vote together in the House of Representatives in the election for prime minister expected to be held in early August.

In the 511-seat lower house, the LDP has 244 seats, the JNP and Sakigake have a combined 49, and 195 seats are held by the five-party alliance—the Social Democratic Party (SDP), Komeito, Shinseito, the Democratic Socialist Party and the United Social Democratic Party.

Hosokawa and Sakigake leader Masayoshi Takemura jointly told Mitsuzuka they will join forces with the five opposition parties, which have been seeking to force the LDP from power.

The LDP has governed Japan without a break since 1955, when it was formed through a merger of two major conservative parties.

Tsutomu Hata, the leader of Shinseito (Japan Renewal Party) lauded the JNP-Sakigake decision, saying, "it will add momentum to the formation of a non-LDP coalition government."

Hata is a former LDP politician who led the parliamentary revolt against the government of Prime Minister Kiichi Miyazawa in June, voting with the opposition on a motion of no confidence in the government.

Following the passing of the no-confidence motion, Miyazawa dissolved the lower house and a general election was held July 18.

The new seven-party alliance convened a meeting of their secretaries general Wednesday to start consultations on selecting a unified candidate for prime minister, party officials said.

The alliance would endorse either Hata or Hosokawa as their joint candidate, they said.

The seven secretaries general met Tuesday in an effort to reconcile or shelve their differences in such crucial policy fields as defense and economic management, the officials said.

The JNP and Sakigake held a separate joint meeting of their executives, in which they discussed the outcome of Tuesday's policy adjustment debate, they said.

The SDP also called a meeting of the party's three top executives to discuss the policy coordination matter, SDP officials said.

Among the obstacles to such coordination are the SDP's long-standing policy of seeking unarmed neutrality for Japan and its opposition to nuclear energy, analysts say.

LDP Accepts Candidacies for Party Presidency

OW2807002093 Tokyo KYODO in English 2314 GMT 27 Jul 93

[Text] Tokyo, July 28 KYODO—The long-governing Liberal Democratic Party (LDP) on Wednesday [28 July] will accept registration of candidacies for new party president to replace outgoing Prime Minister Kiichi Miyazawa.

Candidates for the party's top post will register their names between 11 A.M. and noon, and deliver campaign speeches at a party meeting Thursday.

A new LDP president is set to be picked Friday by ballot involving all members of both houses in the Diet and representatives from the party's 47 prefectural chapters.

Former Foreign Minister Michio Watanabe, 70, former Finance Minister Ryutaro Hashimoto, 55, and Seiichi Ota, 47, have already expressed their intention to run for the top LDP post.

Ota heads the association for the creation of a new LDP, a group of some 20 young LDP legislators.

On Tuesday, LDP Policy Affairs Research Council Chairman Hiroshi Mitsuzuka, who heads the largest faction within the party, said he will not run in an election for the LDP presidency.

Deputy Prime Minister Masaharu Gotoda, 78, also has been tipped as a likely candidate as he is an advocate of domestic political reform featuring electoral changes and anticorruption measures.

But Gotoda, citing his advanced age, has repeatedly ruled out any chance of him running.

The LDP had maintained a majority in the powerful House of Representatives since its founding in 1955, thus enabling whoever held the top post to automatically assume the prime ministership.

But with the LDP's failure to win a majority in the 511-member lower house in the July 18 general election, the post no longer assures the premiership.

In a related development, Mutsuki Kato, head of an 11-member faction within the LDP, will officially announce his departure from the party Wednesday, according to sources close to Kato.

Of the Kato group's six lower house members, Kato and three to four group members will quit the LDP but the group's five House of Councillors members will stay on, the sources said.

Kato and his group colleagues had tried unsuccessfully to urge former Prime Minister Toshiki Kaifu to run for LDP president because of his avowed commitment to political reform.

Gotoda Urged To Run for LDP Presidency

*OW2807014393 Tokyo KYODO in English 0125 GMT
28 Jul 93*

[Excerpts] Tokyo, July 28 KYODO—The leader of the largest faction inside the Liberal Democratic Party (LDP) on Wednesday [28 July] called on Deputy Prime Minister Masaharu Gotoda to run for the party presidency to succeed outgoing Prime Minister Kiichi Miyazawa in the party post. Hiroshi Mitsuzuka, chairman of the LDP Policy Affairs Research Council, visited Gotoda's private residence to relay his request, political sources said. Gotoda refused to run, the sources said. [passage omitted]

The LDP's Miyazawa faction, meanwhile, is preparing to field Chief Cabinet Secretary Yohei Kono, 56, as a candidate for the LDP presidency if Gotoda refuses to run, acting faction chief Kichiro Tazawa said.

The LDP on Wednesday was to begin accepting registration of candidacies for new party president to replace Miyazawa, who is quitting following the party's relatively poor showing in the July 18 election for the House of Representatives. Candidates for the party's top post were required to register their names between 11 A.M. and noon, and deliver campaign speeches at a party meeting Thursday.

A new president will be picked Friday by ballot involving all LDP members of both houses in the Diet and representatives from the party's 47 prefectural chapters.

Former Foreign Minister Michio Watanabe, 70, former Finance Minister Ryutaro Hashimoto, 55, and Seiichi Ota, 47, have already expressed their intention to run for the top LDP post.

Ota heads the association for the creation of a new LDP, a group of some 20 relatively young LDP legislators.

The LDP had maintained a majority in the powerful House of Representatives since its founding in 1955, thus enabling whoever held the top post to automatically assume the prime ministership. But with the LDP's failure to win a majority in the 511-member lower house in the general election, holding the post no longer secures the premiership.

In a related development, Mutsuki Kato, head of an 11-member faction within the LDP, will officially announce his departure from the party Wednesday, according to sources close to Kato.

Kato and three or four of the Kato group's six lower house members will quit the LDP but the group's five House of Councillors members will stay on, the sources said.

Kato and his colleagues had tried unsuccessfully to urge former Prime Minister Toshiki Kaifu to run for LDP president because of his avowed commitment to political reform.

Kono Decides To Run for LDP Presidency

*OW2807022993 Tokyo KYODO in English 0221 GMT
28 Jul 93*

[Text] Tokyo, July 28 KYODO—Chief Cabinet Secretary Yohei Kono said Wednesday [28 July] he will run for the presidency of the Liberal Democratic Party (LDP) in a last-minute effort to keep the party in power, LDP sources said. The sources said Kono, 56, expressed his intention to run in Friday's LDP presidential election in a meeting with Seiichi Ota, 47, leader of the Association for the Creation of a New LDP, a group of some 20 relatively young LDP legislators.

Former Foreign Minister Michio Watanabe, 70, and former Finance Minister Ryutaro Hashimoto, 55, renewed their determination to enter the race in a bid to keep the government in the hands of the LDP.

Candidates for the party's top post were set to register their names between 11 A.M. and noon Wednesday, and deliver campaign speeches at a party meeting Thursday.

A new president will be picked Friday by ballot involving all LDP members of both houses in the Diet and representatives from the party's 47 prefectural chapters.

Kono, currently Prime Minister Kiichi Miyazawa's chief spokesman, apparently decided to run for the LDP presidency after Deputy Prime Minister Masaharu Gotoda again refused to run for the party presidency to succeed Miyazawa in the party post.

Hiroshi Mitsuzuka, chairman of the LDP Policy Affairs Research Council, visited Gotoda's private residence Wednesday morning to urge him to run, to no avail, the sources said.

Mitsuzuka, leader of the LDP's largest faction, said Tuesday he will not run for the LDP presidency. His visit to the Gotoda residence followed talks Tuesday night among seven opposition parties on forming a coalition government to end the LDP's 38-year domination of government in Japan.

Despite calls from self-proclaimed political reformers within the LDP for him to run for the top party post, Gotoda, 78, who is concurrently justice minister, has repeatedly ruled out running, citing his advanced age.

A former bureaucrat, Gotoda is said to be a strong advocate of political reform featuring electoral changes and anticorruption measures.

The LDP had maintained a majority in the powerful House of Representatives since its founding in 1955, thus enabling whoever held the top post to automatically assume the prime ministership. But with the LDP's failure to win a majority in the 511-member lower house in the July 18 general election, holding the post no longer secures the premiership.

In a related development, Mutsuki Kato, head of an 11-member faction within the LDP, and two of his group's six lower house members formally quit the LDP on Wednesday. The two are Akira Fukida and Issei Koga. But the group's five House of Councillors members are likely to stay on at least until the next upper house election, according to sources close to Kato.

Kato and his colleagues had tried unsuccessfully to urge former Prime Minister Toshiki Kaifu to run for LDP president because of his avowed commitment to political reform.

Kono, Watanabe To Face Off in LDP Race

OW2807040793 Tokyo KYODO in English 0348 GMT 28 Jul 93

[Text] Tokyo, July 28 KYODO—Former Foreign Minister Michio Watanabe and chief Cabinet Secretary Yohei Kono registered Wednesday [28 July] as the only

two candidates for Friday's election for the presidency of the Liberal Democratic Party (LDP).

Kono, 56, declared his candidacy after Deputy Prime Minister Masaharu Gotoda declined to run despite calls from party leaders, including Hiroshi Mitsuzuka, chairman of the LDP Policy Affairs Research Council, who also heads the largest LDP faction.

The winner of the two-way race will run against a candidate of a loose coalition of seven parties, including the Japan New Party (JNP) and Sakigake (Harbinger), two new conservative parties.

Former Finance Minister Ryutaro Hashimoto, who had considered entering the race, decided not to run and instead rallied behind the Kono candidacy. Also dropping out of the race was Seiichi Ota, leader of a small reform-oriented group inside the LDP.

Kono initially revealed his intention to run in a Wednesday morning meeting with Ota, LDP sources said.

Watanabe, and Kono, currently Prime Minister Kiichi Miyazawa's chief spokesman, will deliver campaign speeches at a party meeting on Thursday.

Watanabe earlier told reporters his resolve to enter the race was unshakable. Kono told reporters at the prime minister's official residence that he decided to run because the long-dominant LDP faces a critical situation and because his colleagues urged him to do so.

Kono said he felt responsible for not being able to support the Miyazawa cabinet as the chief cabinet secretary and for not being able to achieve political reform. A member of an intraparty faction led by Miyazawa, Kono said he will do his best for the party and for Japanese politics.

The LDP had maintained a majority in the powerful House of Representatives since its founding in 1955, thus enabling whoever held the top post to automatically assume the prime ministership. But with the LDP's failure to win a majority in the 511-member lower house in the July 18 general election, holding the post no longer secures the premiership.

Meanwhile, the JNP and Sakigake, which hold a swing vote in the upcoming parliamentary election for prime minister, notified the LDP on Wednesday they will join five other parties to form a non-LDP coalition, political sources said.

JNP leader Morihiro Hosokawa was quoted as telling Mitsuzuka, "From now on, we will initiate a relationship (in) a seven-party alliance versus the LDP."

Also present at the meeting with Mitsuzuka was Sakigake chief Masayoshi Takemura.

The vote to elect a new prime minister will be held at a special Diet session to expected to be convened in early August.

In a related development, Mutsuki Kato, head of an 11-member faction within the LDP, and two of his group's six lower house members formally quit the LDP on Wednesday.

The two who quit with Kato are former Home Affairs Minister Akira Fukida and Issei Koga. Agriculture, Forestry and Fisheries Minister Masami Tanabu, a member of the group, is also expected to leave the party soon, party sources said.

The three told reporters they made the decision because they had tried to urge former Prime Minister Toshiki Kaifu to run for LDP president but failed and political reform has not been seriously discussed within the party.

They said they will be independents in the Diet and side with the non-LDP alliance in selecting a new prime minister.

But the group's five House of Councillors members are likely to stay on at least until the next upper house election, according to sources close to Kato.

Candidates for LDP Presidency Profiled

OW2807075893 Tokyo KYODO in English 0518 GMT
28 Jul 93

[Text] Tokyo, July 28 KYODO—In what could turn into a generational sparring match, two candidates—Michio Watanabe, 70, and Yohei Kono, 56—registered Wednesday [28 July] for Friday's election to select a president of the Liberal Democratic Party (LDP).

With the looming possibility that a seven-way coalition will take over the reins of power, the LDP presidency may for the first time in 38 years place the winner in a post as chief of an opposition party rather than as prime minister.

Following are the candidates' profiles:

Michio Watanabe, 70

Former Foreign Minister Watanabe is the more experienced in government, but pro-reform LDP legislators regard him as an oldster who will impede efforts to refurbish the party's image and promote political reform. He is also beset by rumors of failing health.

Leader of the third-largest faction within the LDP, Watanabe was the No.2 man in the Miyazawa cabinet until he resigned as deputy prime minister and foreign minister on April 6, after being hospitalized for the second time in nine months.

He has also headed the Finance Ministry, Ministry of International Trade and Industry, Agriculture, Forestry

and Fisheries Ministry, and Health and Welfare Ministry, as well as served as chairman of the LDP's Policy Affairs Research Council.

Known for his outspoken and blunt style, Watanabe was reprimanded earlier this year by rival candidate Chief Cabinet Secretary Yohei Kono for suggesting Japan lift a freeze on participation in armed U.N. Peacekeeping operations.

He also made waves overseas several years ago when he said black Americans are not ashamed of going into debt, and, on a separate occasion, that many Chinese live in caves.

He has been returned to the Diet 11 times by his home constituency of Tochigi Prefecture.

Yohei Kono, 56

Chief Cabinet Secretary Yohei Kono was tapped as top government spokesman last December by Prime Minister Kiichi Miyazawa, who sought to enhance his cabinet's image in the wake of the Tokyo Sagawa Kyubin money-and-mob scandal.

While Kono failed to exert his influence as Miyazawa's right-hand man to push through political reform, he was one of the LDP's most sought after campaign speakers during elections earlier this month.

Kono gained a reputation as a corruption fighter in 1976 when he bolted the LDP on a reform platform over the Lockheed bribery scandal to form the New Liberal Club. He returned to the fold in 1986 after the group lost many of its original 18 seats.

He has expressed skepticism about the ability of recently formed conservative parties, which have enjoyed public support as alternatives to the LDP, to establish themselves as lasting political groups.

As a member of the New Liberal Club, Kono in 1985-86 served as chief of the Science and Technology Agency. But after rejoining the LDP as a member of Miyazawa's faction, he was bypassed for cabinet posts, apparently a reprisal for his decade in the opposition.

He is the son of prominent conservative politician Ichiro Kono, who in 1945 helped launch the Japan Liberal Party, predecessor of the LDP. A graduate of Waseda University, Kono attended Stanford University in 1961.

He has been elected 10 times by voters in Kanagawa Prefecture.

Opposition Alliance Candidate Choices Viewed

OW2807125393 Tokyo KYODO in English 1205 GMT
28 Jul 93

[Text] Tokyo, July 28 KYODO—The choice of an opposition alliance for prime minister came under the spotlight Wednesday [28 July] after two new conservative

parties came on board to give it the numbers to end the 38-year lock on power of the Liberal Democratic Party (LDP).

Whether to choose Shinseito leader Tsutomu Hata or Japan New Party (JNP) chief Morihiro Hosokawa will come under scrutiny at a summit Thursday [29 July] evening of the leaders of the seven parties, political sources said.

The candidate will be selected at subsequent high-level meetings, the sources said.

Hosokawa is a former governor of Kumamoto Prefecture who founded the JNP last year, while Hata is former finance minister who dealt the LDP a heavy blow in June by leading a mass defection from the party.

The seven parties control 244 seats in the 511-seat House of Representatives, enabling their candidate to almost certainly defeat the new LDP president, who will be elected Friday, the sources said.

The LDP has 224 seats in the lower house.

A special Diet session is expected to be convened in early August to vote on who will replace outgoing Prime Minister Kiichi Miyazawa.

Former Foreign Minister Michio Watanabe and Chief Cabinet Secretary Yohei Kono registered Wednesday as the only candidates for LDP president. The election will be held Friday.

The decision by the JNP and its ally Sakigake to join the opposition alliance was formally conveyed to Hiroshi Mitsuzuka, chairman of the LDP Policy Affairs Research Council, by Hosokawa and Sakigake leader Masayoshi Takemura.

In the meeting, Hosokawa said, "from now on, the seven parties will confront the LDP."

Mitsuzuka appealed in vain to the two leaders to reconsider their decision and join an LDP-led coalition, the sources said.

At Thursday's summit, the leaders of the seven-party alliance will also step up efforts to reconcile policy differences in such key areas as defense, economic management and compilation of the fiscal 1994 budget, officials of the parties said.

Hosokawa told reporters, "as the seven parties have differences over basic policies, including their attitudes toward the upcoming budget compilation, we might hit a snag soon after the inauguration of the coalition unless we work out an overall agreement."

"(The seven) will have to resolve this problem firmly," he said.

Hosokawa was evasive on a reporter's question whether he is ready to assume the prime ministership if

requested, saying, "it appears to me that the discussion on that issue will start from tomorrow evening."

Takemura was also evasive on who he would favor as the candidate.

The JNP and Sakigake earlier agreed to vote together in the House of Representatives in the election for prime minister expected in early August.

Opposition Alliance Agrees on Economic Framework

OW2807124693 Tokyo KYODO in English 1201 GMT 28 Jul 93

[Text] Tokyo, July 28 KYODO—A seven-party alliance against the ruling party has reached a broad agreement on economic policies, including support for further pump-priming measures and tax reform, political sources said Wednesday [28 July].

The sources said the agreement was reached at a meeting of policymakers held Wednesday by seven opposition parties which hope to form a coalition government that will put an end to the 38-year hold on power by the Liberal Democratic Party [LDP].

The group consists of the Social Democratic Party (SDP), Komeito, the Democratic Socialist Party (DSP), the United Social Democratic Party, the Japan New Party and two LDP breakaway parties, Shinseito (Japan Renewal Party) and Sakigake (Harbinger).

The LDP, which has been in power since its founding in 1955, failed to win a majority in the powerful House of Representatives in elections held July 18.

The sources said the alliance agreed that the domestic economy is under severe conditions, requiring additional stimulus measures.

The economic planning agency, however, has declared that the economy has bottomed out.

The group agreed to discuss further whether to issue government bonds to generate funds for income tax cuts, the sources said.

The SDP, Komeito and the DSP insist on early implementation of income tax cuts as part of an economic stimulus package.

The sources said the alliance affirmed it will oppose the opening of the rice market to imports and promote administrative reforms.

The group will also tackle reform of the taxation system on a long- and medium-term perspective, the sources said.

The alliance agreed to expedite compilation of a state budget for fiscal 1994, which starts on April 1, as the work has been delayed due to the political uncertainty.

Voters File Suit Over Disparity in Election

*OW2607102093 Tokyo KYODO in English 0808 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Ten voters in Tokyo and Chiba Prefecture on Monday [26 July] filed suit demanding the results of the July 18 general election be nullified because of the disparity in the value of votes.

The plaintiffs, led by Kiyoshi Miyagawa, 60, a university professor, filed the suit with the Tokyo High Court against local electoral administrations.

Miyagawa, a resident of Ichikawa, Chiba Prefecture, said the election should be held again because the population per seat in the House of Representatives differed significantly from one constituency to another.

Over the years, a number of suits have been filed against disparities in the value of votes in elections for the lower house or the House of Councillors.

The suit lodged Monday differs from previous cases, in which plaintiffs have questioned the numbers of eligible voters, not the entire population per seat.

"We think Diet members represent all the people, including minors," Miyagawa said. Also, the Public Offices Election Law provides the apportionment of the Diet based on the overall population, he said.

In the recent election, two to six seats were allocated for each of the nation's 129 constituencies.

The plaintiffs from Tokyo No. 10 constituency and Chiba No. 4 electorate said Japan's 123 million people divided by 511, the number of lower house seats, equals 241,900 people.

Only 34 of the 129 electoral districts have a population per seat of around 241,900, they said. According to the calculation, their constituencies should have been allocated seven seats each instead of five, they said.

Rulings in previous suits judged Diet election results in question were valid in spite of vote value disparities. The rulings generally said the largest number of eligible voters per seat should not be more than three times the smallest number.

Ibaraki Governor Suspected of Taking Bribes

*OW2307043193 Tokyo KYODO in English 2304 GMT
22 Jul 93*

[Text] Tokyo, July 23 KYODO—Ibaraki [Prefecture] Gov. Fujio Takeuchi is suspected of taking tens of millions of yen in secret donations from Hazama Corp., a major construction firm, which has been accused of bribing the mayors of Sendai and the Ibaraki town of Sanwa, Japanese newspapers reported Friday [23 July].

The mass-circulation daily MAINICHI SHIMBUN and influential business daily NIHON KEIZAI (NIKKEI) identified Takeuchi by name as the recipient of illicit funds from Hazama.

Another major newspaper, the ASAHI SHIMBUN, reported a "top official of Ibaraki Prefecture" is suspected of accepting tens of millions of yen from Hazama.

In a front-page story, the MAINICHI said Hazama gave Takeuchi tens of millions of yen in connection with public works plans to build a multipurpose dam and a prefectural office.

Nikkei said Hazama provided Takeuchi with about 30 million yen expecting favorable treatment over bidding on public works projects.

The business daily said Hazama handed over the money in April of last year.

Takeuchi, 75, a former senior official at the Construction Ministry, was first elected to the governorship in April 1975 and is currently serving a fifth four-year term.

Last Monday, prosecutors arrested Masahiro Oyama, the mayor of Sanwa, Ibaraki Prefecture, on suspicion of taking 14 million yen in kickbacks from Hazama. Hazama was implicated in a recent bribery scandal that saw the downfall of the former mayor of Sendai, Toru Ota.

Says Money 'Political Donations'

*OW2807144493 Tokyo KYODO in English 1431 GMT
28 Jul 93*

[Text] Tokyo, July 28 KYODO—Ibaraki Governor Fujio Takeuchi received a total of 55 million yen from 1990 to 1992 in bribes given by Hazama Corp., a major construction company, sources close to prosecutors said Wednesday [28 July].

Takeuchi, 75, was arrested last Friday on suspicion of taking a 10 million yen bribe from Hazama in February 1990, in connection with public works projects in the prefecture. Takeuchi allegedly received the bribe from Shigeru Honda, 72, a former Hazama chairman, at the governor's official residence in Mito, the prefectural capital.

In addition to the 10 million yen bribe, Takeuchi received a total of 45 million yen from Hazama on three occasions from October 1990 to April last year, the sources said.

They said Takeuchi admitted receiving the money from Hazama but insisted he had received it as political donations.

Other sources said that Takeuchi received a total of 30 million yen in secret donations from about 10 general contractors beside Hazama around April 1991 when the Ibaraki gubernatorial election took place.

The general contractors which allegedly gave money to Takeuchi include Kajima Corp., Taisei Corp., Shimizu Corp., Tobishima Corp., and Nishimatsu Construction Co., the sources said.

Sanwa Mayor Offers To Resign Due to Scandal

*OW2607145493 Tokyo KYODO in English 1441 GMT
26 Jul 93*

[Text] Mito, July 26 KYODO—The mayor of Sanwa in Ibaraki Prefecture offered to resign Monday [26 July] one week after he was arrested for allegedly taking bribes from major general contractor Hazama Corp., town officials said.

Masahiro Oyama, 48, tendered his resignation to the town assembly through one of his political supporters, the officials said.

Prosecutors arrested Oyama on July 19 on suspicion of pocketing 14 million yen in bribes from Hazama in March 1991 in return for favorable treatment of the company's bid for a construction project.

Kanemaru's Former Top Aide Haibara Released

*OW2307082293 Tokyo KYODO in English 0721 GMT
23 Jul 93*

[Text] Tokyo, July 23 KYODO—Masahisa Haibara, former secretary of disgraced political kingpin Shin Kanemaru being tried for tax evasion charges along with his ex-boss, was released on bail of 100 million yen Friday [23 July] afternoon, officials said.

Haibara, 49, had been kept at the Tokyo detention house since his arrest in early March and indictment on charges of dodging about 310 million yen in taxes on about 610 million yen in undeclared income from 1987 to 1991. He is also charged with helping Kanemaru evade a portion of over 1 billion yen in taxes.

At the opening hearing at the Tokyo district court on Thursday [22 July], Haibara pleaded guilty to his own tax evasion but denied the conspiracy charge.

Kanemaru, a former vice president of the Liberal Democratic Party, pleaded not guilty to all charges.

The two men were arrested March 6 but only Kanemaru, 78, was freed March 29 on a 300 million yen bail after being detained for 23 days at the Tokyo detention house. Haibara was not released then because prosecutors argued he could destroy evidence.

Firm Said To Provide Funds to Diet Members

*OW2607043193 Tokyo KYODO in English 0337 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—Scandal-ridden general contractor Hazama Corp. allegedly placed about 3 billion yen per year in secret accounts and gave some of the money to Diet members, informed sources said Monday [26 July].

About a third of the 3 billion yen was placed in a "top secret" fund which was opened at the instruction of top executives but did not involve Hazama's accounting division, the sources said. They said investigators found that most of the 3 billion yen was controlled by Hazama's former Chairman Shigeru Honda, 72, and used to maneuver politicians and bureaucrats in central and local governments to the company's advantage.

Prosecutors found that some of the money was secretly donated to several Diet members and they will investigate if the donations constitute bribes, according to the sources.

Hazama allegedly raised the money through activities such as taking kickbacks from business acquaintances, adding up fictitious expenses, and rigging the books, the sources said.

On Friday, prosecutors arrested Ibaraki Governor Fujio Takeuchi, 75, for allegedly taking 10 million yen in bribes from Honda in connection with a contract awarded to Hazama by the Ibaraki Prefectural Government for construction of a dam.

Honda had been indicted earlier in another bribery case involving the former mayor of Sendai but was not arrested because the statute of limitations on the case had expired.

Prosecutors had also indicted former Sendai Mayor Toru Ishii, 67, and top officials of Hazama and other three major construction companies in a separate case allegedly involving bribes of 100 million yen. Hazama Corp. is suspected of giving 30 million yen worth of bribes to Ishii.

They also arrested Mayor Masahiro Oyama, 48, from the town of Sanwa, Ibaraki Prefecture, and other Hazama officials in another bribery case involving 14 million yen.

Prosecutors Office Investigating

*OW2607145093 Tokyo KYODO in English 1434 GMT
26 Jul 93*

[Text] Tokyo, July 26 KYODO—The beneficiaries of a 3 billion yen fund used each year by Hazama Corp. to bribe politicians for construction work may have included Diet members as well as prefectural governors and city mayors, investigative sources said Monday [26 July].

The Tokyo District Public Prosecutors Office is investigating allegations the Diet members failed to declare Hazama's donations either to tax authorities or the Home Affairs Ministry, the sources said.

Out of the 3 billion yen fund, about 1 billion yen has been distributed each year directly by a few top executives without even the knowledge of Hazama's accounting department, they said.

Shigeru Honda, former chairman of Hazama, reportedly instructed other senior company officials to raise money for the fund by such means as overpaying subcontractors, who channeled the money back to the firm through rebates.

Honda, 72, and Akira Kagami, 64, former president of Hazama, have been indicted for allegedly bribing former Sendai Mayor Toru Ishii with 30 million yen in 1992 to land public works projects awarded by the city.

Honda is also accused of giving 10 million yen in 1990 to Ibaraki Gov. Fujio Takeuchi to win public projects, including a 70 billion yen job to build a prefectural government building.

In fiscal 1990 ended March 31, 1991, Hazama reported about 1.7 billion yen as taxable expenses to authorities under a category in which companies are not legally obliged to identify the recipient.

Firms are required to pay a 37.5 percent corporate income tax on money under this classification, under which Hazama reported about 2 billion yen in fiscal 1991.

The sources said the 3 billion yen fund minus the declared money was used to pay off politicians and bureaucrats as well as other purposes.

The leftover money came to about 1.3 billion yen in fiscal 1990 and 1 billion yen in fiscal 1991, they said.

Hazama is said to be the biggest spender under the unspecified payments tax category among Japan's top-ranking construction companies.

Its alleged payment of bribes to the Sendai mayor and Ibaraki governor surfaced when prosecutors were investigating ties between former Liberal Democratic Party kingmaker Shin Kanemaru and 18 major construction firms accused of giving him illicit donations.

Prosecutors seized about 900 boxes of accounting reports and other documents on their raids on the offices of 10 contractors.

Four Firms Banned From Bidding

OW2707081893 Tokyo KYODO in English 0708 GMT 27 Jul 93

[Text] Tokyo, July 27 KYODO—The Tokyo metropolitan government decided Tuesday [27 July] to temporarily ban four major construction companies from bidding for public works projects for their involvement in a bribery scandal, officials said. The decision will lead to a six-and-a-half-month exclusion of Hazama Corp., and four and a half months for Shimizu Corp., Mitsui Construction Co. and Nishimatsu Construction Co., the officials said.

Under Japan's current bidding system, both national and local governments designate in advance several companies which can bid for each public works contract.

The punitive action means that the four companies will be temporarily excluded from the lists of possible contractors for Tokyo metropolitan government projects.

The government's punitive action against the Tokyo-based companies is retroactive to June 29, when top officials of the companies were arrested in connection with a bribery case involving former Sendai Mayor Toru Ishii, they said.

Shortly after the arrests, the Tokyo metropolitan government announced it would ban the companies from bidding, but it postponed a decision on the period of the disqualification pending developments in the bribery case.

During the last fiscal year which ended in March, the Tokyo government signed about 34.47 billion yen worth of public works contracts with Hazama, 51.35 billion yen with Shimizu, 9.02 billion yen with Mitsui Construction, and 3.25 billion yen with Nishimatsu Construction, they said.

Other local governments and the Construction Ministry have taken similar punitive steps against the four companies involved in the Sendai bribery case, for several months in most cases. The city of Sendai last week banned the four companies from bidding for two years.

On July 19, prosecutors indicted top officials of the four companies suspected of giving a 100 million yen bribe to Ishii in connection with a municipal public works contract. Prosecutors have also arrested other Hazama officials, Ibaraki Governor Fujio Takeuchi, and Mayor Masahiro Oyama from the town of Sanwa, Ibaraki Prefecture in separate bribery scandals.

Political 'Uncertainty' May Delay Budget Work

OW2307121093 Tokyo KYODO in English 1121 GMT 23 Jul 93

[Text] Tokyo, July 23 KYODO—Political uncertainty has cast a shadow over drafting of the budget for fiscal 1994, starting next April 1, making it likely that setting a ceiling on budgetary requests will be delayed until mid-August, government officials said Friday [23 July]. The government usually decides the ceiling in June, enabling ministries and agencies to submit their funding requests by the end of August.

The Finance Ministry initially wanted to set the ceiling by late July, after the July 7-9 Group of Seven summit in Tokyo.

But ministry officials said the resignation of Prime Minister Kiichi Miyazawa as chief of the dominant Liberal Democratic Party and a looming coalition government make it unlikely that a budgetary ceiling will be set before mid-August.

"We want to make it at any cost by the end of August," said an official at the Finance Ministry's Budget Bureau.

The ministry had close contacts with the LDP when the party held a majority in the decision-making House of Representatives, but that might not be the case this year because of the LDP's failure to win a majority in the lower house in last Sunday's election.

If a non-LDP coalition government comes to power, the ministry would have to consult with parties in the coalition over the budget. That could make it difficult to present a draft budget for fiscal 1994 by the end of this year, ministry officials said.

New Government's Effects on Economy Analyzed

*OW2807074093 Tokyo KYODO in English 0340 GMT
28 Jul 93*

[By Ikuji Nakaya]

[Text] Tokyo, July 28 KYODO—In the rush for political reforms after the fall of Prime Minister Kiichi Miyazawa's government and formation of what will almost certainly be a coalition government, analysts are concerned the moribund economy will be overlooked.

The analysts say that without question political reforms are indispensable when considering the economy from a long-term perspective. But they argue a number of pressing economic matters await a new government.

In a recent poll of major company executives by the leading business daily NIHON KEIZAI SHIMBUN, more than 88 percent said economic stimulation should take priority with a new administration.

In the survey where more than one choice could be made, political reforms were second with 82.4 percent.

The Bank of Japan reported in the summer vvn [as received] of its quarterly economic outlook that the economic slowdown is coming to an end.

But it added there still are several uncertainties, such as the absence of clear indications private-sector capital investment may recover in the near future, while saying the yen's appreciation may have negative effects on business conditions.

Although the government and the central bank maintain they have to see effects of past stimulation measures before studying if further stimulus is necessary, opposition parties have generally been supportive of taking additional steps soon.

Cutting income tax has also been widely debated as a way of spurring slumbering consumption, which together with private capital spending accounts for the majority of economic output.

The Finance Ministry has stubbornly rejected the idea, questioning its effectiveness as well as saying the government could be forced to float deficit-financing bonds to pay for tax cuts.

Toru Miyazaki, senior economist of the Independent Research Institute on the National Economy, said tax cuts must amount to at least 4 trillion to 5 trillion yen for the measure to be effective.

Masaru Takagi, chief economist of the Fuji Research Institute, said it is wrong for the ministry to simply refuse to issue deficit-financing bonds, calling for flexibility.

Vice Finance Minister Jiro Saito told a press conference the ministry will stick to its policy regardless of the stance of a new administration.

The delays in drafting next fiscal year's budget is another problem. Submission of requests by ministries and agencies, which usually takes place at the end of August, is expected to be slowed as the Finance Ministry is unable to compile its initial blueprint because of the political turmoil.

On whether the power of the bureaucrats who have navigated Japan's postwar economic miracle will be enhanced or not as a result of having to deal with parties other than the long-dominant Liberal Democratic Party (LDP), the analysts offered mixed views.

Fuji's Takagi predicted a waning of the bureaucrats' status as the country heads toward a two-party system. He said that is not only his speculation but a necessity.

Miyazaki agreed, forecasting the fall of the "iron triangle" of the LDP, bureaucracy and industry.

But some officials suggest a coalition government will strengthen the position of bureaucrats because the member parties will have to contrive to reach consensus.

Takagi said a coalition would obviously not have flexibility to deal with rapidly changing economic situations, which could hamper a recovery of business conditions.

Soichi Enkyo, a senior economist with the Bank of Tokyo, fears the political volatility and other elements will keep Japan's economic growth lower than his bank's latest prediction of 1.8 percent for fiscal 1993.

Miyazaki thinks bad weather, a stronger yen and a delay in the progress of expenditures on public works after a series of bribery scandals in the construction industry will contribute to postponing economic recuperation from the third quarter to the fourth.

In Japan, the slower economy has meant less imports, leading to a higher trade surplus. Economists say external pressure is likely to intensify if the surplus fails to come down as pledged by Japan at the Group of Seven summit in July.

"Perhaps traditional methods like cutting taxes and pumping up public spending will work in the short run," Miyazaki said. "But the important thing is to spur the

economy from a medium- to long-term perspective through deregulation and increased investment opportunities."

"The new conservative parties seem to be willing to go ahead with deregulation. I think and I hope the new order in that sense will lead Japan toward a better future in the long run," he said.

Ministry Studies Scrapping Extended Interest Tax
OW2607084593 Tokyo KYODO in English 0814 GMT
26 Jul 93

[Text] Tokyo, July 26 KYODO—The Finance Ministry is considering terminating in 1995 the current extended tax system, which calls for lump sum payments of interest on savings and deposits at maturity, ministry officials said Monday [26 July].

The move is in line with recommendations by the Tax Commission, an advisory body to the finance minister, which said that the current system, which defers taxes on interest until maturity, is unfair in comparison with income and other taxes, the officials said.

The planned revision involves financial instruments with a maturity term of one year or more, including 10-year fixed-amount postal savings and five-year interest-bearing bank debentures, they said.

Japan will remove all regulations on deposit terms and interest rates by 1995.

Banks To Offer Variable Rate Deposit Accounts
OW2707130793 Tokyo KYODO in English 1125 GMT
27 Jul 93

[Text] Tokyo, July 27 KYODO—Capitalizing on ongoing interest rate deregulation, Japan's major commercial banks are preparing to offer deposit accounts with variable rates and longer-term time deposit accounts starting in October, bankers said Tuesday [27 July].

They said the offer will be made available on October 18 under a draft plan mapped out by the so-called "city banks."

The draft plan calls for three different variable-rate accounts—less than 3 million yen, between 3 million yen and less than 10 million yen, and 10 million yen or more.

The rate on accounts of less than 3 million yen will be set roughly at 0.2 percentage point above that on six-month super time deposits of less than 3 million yen and that on accounts of between 3 million yen and less than 10 million yen at 0.2 point above that on six-month super time deposits of 3 million yen or more.

The rate on those of 10 million yen or more will be set at about 0.2 point above six-month large-lot time deposits of 10 million yen or more, they said.

The rates will be reviewed every six months. Under the draft plan, the accounts will be available in maturities of two years and three years.

As for longer-term time deposits, the banks plan to offer accounts that have maturities of up to four years at slightly higher rates than existing time deposits, which are now available with maturities of up to three years.

Bankers said each bank will likely take into account similar financial products offered by other types of banks, such as trust banks and long-term credit banks, in determining rates on new products.

Businesses Plan To Cut Investments Jul-Sep
OW2707085493 Tokyo KYODO in English 0839 GMT
27 Jul 93

[Text] Tokyo, July 27 KYODO—Japanese businesses plan to cut their investment in new plant and equipment by 3.1 percent in the July to September quarter from the previous quarter, according to a government quarterly survey released Tuesday [27 July].

The Economic Planning Agency's survey, conducted June 1 on 4,432 companies capitalized at 100 million yen or more, showed they plan to spend a total of 11,508.9 billion yen constructing new factories, installing new computers, and upgrading their equipment.

The contraction projected for the July to September quarter came in contrast with the 0.2 percent rise envisaged in the previous survey done March 1.

The survey also showed that the companies also plan to trim their investment in the October to December quarter, but by a smaller margin of 0.6 percent.

Major manufacturers alone plan to scale down their investment by 2.9 percent in the July-September quarter and by 3.0 percent in the October-December quarter, the survey showed, signaling a delay in the recovery of the manufacturing sector.

However, the projected fall in plant and equipment investment for the July-September period is smaller than the 4.1 percent fall forecast in the previous survey.

Capital spending by major nonmanufacturers, meanwhile, would fall 2.2 percent in the July-September quarter, but be flat in the October-December period, the survey showed.

The 2.2 percent drop came in a downward revision of the 2.4 percent gain projected for the same quarter in the previous survey.

Capital spending is considered one of the main driving forces of economic growth and its drop has been a major drag on the economy, along with a slowdown in consumer spending.

Industries projecting investment declines for the July-September quarter included textiles, paper-pulp, chemical, oil-coal, rubber, leather, steel, machinery, auto, shipbuilding and precision instruments.

Among other findings, the survey showed that business sentiment toward the national economy would improve significantly in the October-December quarter.

The survey put the EPA's business sentiment index at minus 10 percent for the July-September quarter and plus 24 for the October-December quarter.

The October to December period would be the first quarter since July to September 1990 that the index is in the plus column.

The index is tallied by subtracting the percentage of companies expecting better business conditions minus those expecting otherwise.

But an EPA official warned that the projected index could be revised downward as in the case with projections in several past surveys.

"So I can't say yet whether the index will really stand on the plus side in the October-December quarter," the official noted.

Industry Damage From 12 Jul Quake Estimated

OW2707123193 Tokyo KYODO in English 1028 GMT 27 Jul 93

[Text] Tokyo, July 27 KYODO—A killer quake which struck Japan on July 12 caused an estimated 36,767 million yen in damage to three industries, the ministry of agriculture, forestry and fisheries reported Tuesday [27 July].

The ministry, citing data available as of Friday, said the figure is certain to increase as it does not include damage on Okushiri, a small island in southwestern Hokkaido, Japan's northernmost main island.

Damage caused to fishing boats and port facilities was estimated at 19.91 billion yen while that to agricultural facilities and forest assets amounted to 9,987 million yen and 6.87 billion yen respectively, the ministry said.

The tremor also left about 250 people dead or missing, mostly in Hokkaido.

The ministry said damage was reported in 13 of Japan's 47 prefectures.

Michihiko Matsuo Named Vice Transport Minister

OW2307075293 Tokyo KYODO in English 0619 GMT 23 Jul 93

[Text] Tokyo, July 23 KYODO—Transport Minister Ihei Ochi said Friday [23 July] his ministry named

Michihiko Matsuo, director general of the Civil Aviation Bureau, as vice transport minister.

Minoru Toyoda, director of the Secretariat, was appointed director general of the Transport Policy Bureau, Ochi said.

Matsuo, 56, will replace retiring Toru Nakamura, while Toyoda, 54, will succeed Hideo Otsuka, who will also retire. The appointments will be formalized by the cabinet on July 30.

FTC Adds to List of Markets for Close Watch

OW2307133993 Tokyo KYODO in English 1147 GMT 23 Jul 93

[Text] Tokyo, July 23 KYODO—Japan's antitrust watchdog Fair Trade Commission (FTC) said Friday [23 July] it has increased to a record 27 the number of product markets which should be watched because they are controlled by a limited number of companies.

The commission added videodisk players, window shutters, car gasoline engines, car air conditioners and eight other products to a list of markets worth more than 100 billion yen in which the top player holds more than a 50 percent share or the largest two dominate more than 75 percent.

Beer, whisky, instant coffee, motorcycles and other products were already on the list, but pianos, passenger cars and chemical seasoning were removed from the list, the FTC said. The list previously included 24 product markets.

The commission can order the breakup of "questionable" players in the listed markets in order to encourage competition.

The FTC also lengthened to a record 87 its list of products markets in which manufacturers are required to report to the commission when several of makers simultaneously raise prices.

The list, which previously stood at 83, includes markets worth 60 billion yen where the biggest three hold more than a 70 percent share. It now includes 24 new products such as personal computers and video cameras, and 20 products were delisted.

North Korea

Activities Marking War Anniversary Continue

Seminar Reviews War Production

SK2507004893 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 21 Jul 93

[Text] On the occasion of the 40th anniversary of the victory of the Fatherland Liberation War, a seminar on

the experiences by producers throughout the nation during the war was held on 20 July at the Central Workers Hall.

The seminar was attended by Comrade Kim Chung-nin, secretary of the Workers Party of Korea Central Committee; Chu Song-il, chairman of the Central Committee of the General Federation of Trade Unions of Korea; other functionaries concerned; men who performed meritorious deeds during the war; and workers.

During the seminar, experiences were shared on our working class who opposed aggression by the imperialists during the past Fatherland Liberation War and vigorously launched to defend the country's and nation's sovereign rights and dignity. They talked about the working class' contributions during the victorious war which were carried out through their active production. They also manifested mass heroism and a peerless self-sacrificing spirit, embraced with the blazing desire that the rear is also the frontline.

The speakers emphasized that during the rigorous time of difficulty of determining the destiny of the fatherland and people, the great leader Comrade Kim Il-song mapped out a war-period production plan; gave on-the-spot guidance to plants and enterprises and called the working class into the heroic struggle; and gave the working class love and trust so that they could brilliantly fulfill the duties that they were entrusted with. He led them wisely.

They also talked about how the workers and technicians in various areas upheld the leadership of the party and the leader, and embroidered the daily struggle of war-period production to heroic feats by highly upholding the slogan, "Everything for the Victory of the War."

The speakers said that during the three-year war which ended in a great victory for our people, the heroic feat and might of the Korean working class firmly united around the party and the leader was wholly manifested. They emphasized that with the same spirit and vigor that was manifested during the arduous days of war, all producers should bring about a great upsurge in economic construction so that they can fulfill their duty and obligation as the leadership class of the revolution in the struggle to safeguard, adhere to, and elucidate socialism of our own style.

Loyalty Letters Presented to Leaders

*SK2607123493 Pyongyang KCNA in English 1121
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—Loyal letters to the Great Leader President Kim Il-song and the dear leader Comrade Kim Chong-il were presented with a grand ceremony in the Pyongyang indoor stadium on July 26 on the eve of the 40th anniversary of the victory of the Korean people in the Fatherland Liberation War.

Present there were O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces, Premier of the Administration Council Kang Song-san and Vice-President Pak Song-chol who are members of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK], other senior officials of the party and the state, leading officials of party and power bodies, administrative and economic organs, military and public security organs and social organisations, anti-Japanese revolutionary fighters, men and women of meritorious services in the anti-Japanese revolutionary struggle, those who rendered meritorious services in the Fatherland Liberation War, disabled soldiers, bereaved families of patriotic martyrs, labour innovators, three-revolution standard-bearers and working people in the city.

Amid enthusiastic applause of the crowd, the relay columns carrying loyal letters entered the hall, led by flags bearing portraits of President Kim Il-song and Comrade Kim Chong-il.

Loyal letters of the people in all provinces, officers and men of the Korean People's Army and the Korean People's Security Forces, public security officers, railway employees and school youth and children and a congratulatory message of the Central Standing Committee of the General Association of Korean Residents in Japan were handed to members and alternate members of the Political Bureau of the WPK Central Committee authorized by the Political Bureau of the WPK Central Committee.

Officials Visit Martyrs Cemetery

*SK2607214793 Pyongyang KCNA in English 1514
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—Senior party and government officials, People's Army soldiers, working people, school youth and children laid wreaths at the Revolutionary Martyrs' Cemetery in Mt. Taesong here today on the occasion of the 40th anniversary of the victory in the great Fatherland Liberation War.

A wreath sent by the great leader President Kim Il-song was lying on the wreath-laying stand.

Also lying there was a wreath from Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army [KPA].

An honour guard of the KPA was lined up in front of the cemetery.

Present at the wreath-laying ceremony were O Chin-u, Kang Song-san, Kim Yong-nam, Kim Chol-man, Choe

Tae-pok, Kim Kuk-tae, Kim Hwan and Yang Hyong-sop, leading officials of party and power bodies, administrative and economic organs, working people's organizations and central organs, generals of the Korean People's Army, working people, school youth and children.

The national anthem was played and then wreaths in the name of the Central Committee of the Workers' Party of Korea, the DPRK Central People's Committee and Administration Council were laid amid the playing of the wreath-laying music.

Then, wreaths were laid in the name of the Ministry of People's Armed Forces, the Ministry of Public Security, commissions and ministries of the Administration Council, working people's organizations, central organs, the joint organization of the Korean Children's Union, Korean People's Army units, scientific, educational and health institutions and press organs, party and power bodies, administrative and economic organs, factories and enterprises and cooperative farms in the city.

The participants observed a moment's silence in memory of the anti-Japanese revolutionary martyrs who fell while fighting for the liberation of the country and the freedom and liberation of the people, for the victory of the cause of socialism and the independent and peaceful reunification of the country under the wise guidance of President Kim Il-song.

Wreaths were also laid today at the Patriotic Martyrs' Cemetery, the monument to the fallen fighters of the People's Army and at bronze statues of anti-Japanese revolutionary martyrs and monuments to and cemeteries of Korean People's Army fallen fighters in different places of the country.

Performances Celebrate Anniversary

*SK2707052093 Pyongyang KCNA in English 0408
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—A grand performance "Song of Wishes" was given at the February 8 House of Culture on July 26 in celebration of the 40th anniversary of the Korean people's victory in the great fatherland liberation war.

The performance was appreciated by O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces; Kang Song-san, premier of the Administration Council, and Vice-President Pak Song-chol, Politburo members of the C.C. [Central Committee], WPK [Workers Party of Korea]; and other senior party and state officials.

Invited to see it were heads of government, party leaders, special envoys of heads of state of different countries, heads and members of foreign delegations, Zhang Weihua's family and anti-Japanese veterans and their families residing in China who came to participate in celebrations of the 40th anniversary of the victory in the

great fatherland liberation war, and foreign guests staying in Korea and foreign diplomatic envoys here.

Koreans from overseas including the members of the congratulatory group of Koreans in Japan saw the performance.

Put on stage was a colorful program including the prologue, a song and dance "Long Live Generalissimo Kim Il-song", and a mixed chorus "Long Live the Chuche Idea", an instrumental music and male chorus "My Country Self-Reliant in National Defence", a dance "Singlehearted Unity Is Our Pride", a chorus "Let Us Defend Socialism" and a chorus and dance "Let Us Uphold Our Supreme Commander With Arms".

The performance was highly acclaimed by the audience for its high ideological and artistic value.

Provinces' Meetings Mark Anniversary

*SK2707115393 Pyongyang KCNA in English 1004
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—Meetings celebrating the 40th anniversary of the victory in the great fatherland liberation war were held in the provinces on July 26.

Present there were leading officials of the provincial party and power bodies, administrative and economic organs and working people's organisations, generals of the Korean People's Army, war veterans, labour innovators, People's Army soldiers and working people.

Reports were made there.

The reporters said that the Fatherland Liberation War was a great revolutionary war in which the Korean people demonstrated their dignity and honor as an independent people, being the first in history to defeat the imperialist allied forces.

The Korean people and the officers and men of the People's Army could win in the fatherland liberation war against the formidable enemy because they cherished deep in their hearts the unshakable will and faith that they could defeat any aggressor and certainly win as long as the great leader President Kim Il-song, the legendary hero of the anti-Japanese struggle and ever-victorious iron-willed brilliant commander, stood at their head, the reporters stressed.

They recalled that for 40 years since the ceasefire, the Korean people who won a great victory in the fatherland liberation war have converted Korea into a country independent, self-sustaining and self-reliant in defence which no enemy can dare provoke and into a prosperous socialist country centred on the popular masses, smashing every move of the imperialists and the reactionaries, firmly rallied around the party and the leader.

Only victory and glory are in store for the Korean people as long as there are the wise guidance of the great leader President Kim Il-song and the dear leader Comrade Kim

Chong-il, the unbreakable unity and cohesion of the leader, the party and the masses and the inexhaustible creativity of the popular masses and the foundations of a powerful independent national economy, the reporters said, and called upon all the people to bring about another new upsurge in production and construction in the spirit and stamina displayed in the wartime.

Pyongyang Military Parade Detailed

SK2707120893 *Pyongyang KCNA in English 1109*
GMT 27 Jul 93

[Text] Pyongyang, July 27 (KCNA)—Today is a significant day marking the 40th anniversary of the victory of the Korean people in the great fatherland liberation war, the day of the second liberation on which they defended the dignity and sovereignty of the nation, repulsing the imperialist aggression.

On this occasion, a military parade of military academies of the Korean People's Army [KPA] at all levels, the worker-peasant red guards and the young red guards and a demonstration of one million people took place at the Kim Il-song Square in Pyongyang to celebrate the war victory.

Lined up in the square and the roads leading to it were columns of students of military academies of the Korean People's Army at all levels who are growing to be competent commanding officers, each a match for a hundred foes, prepared politically, ideologically and in military technique in the course of implementing the line of the Workers' Party of Korea [WPK] on making the whole army a cadre army, and columns of the worker-peasant red guards and the young red guards.

Set up in the square was a portrait of the great leader President Kim Il-song and slogans reading "Long Live the Great Leader Comrade Kim Il-song!" and "Long Live the Glorious Workers' Party of Korea!" and hung there were flags of the WPK and the DPRK.

Also seen in the square were slogans reading "Highest glory to the great leader Comrade Kim Il-song!", "Let us uphold our dear supreme commander with single-hearted unity!" "Let us reunify the country independently and peacefully with a great unity of the whole nation!" and "Let us firmly unite with peoples of all countries of the world who advocate independence!"

The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, appeared on the platform.

Also stepping onto the platform was Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army.

That moment, stormy cheers of "Hurrah!" burst forth, thousands of balloons soared into the sky and a salvo of hundreds of guns boomed.

Children presented bunches of flowers to President Kim Il-song and Comrade Kim Chong-il.

Taking the platform were O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces, premier of the Administration Council Kang Song-san and Vice-president Pak Song-chol who are members of the Political Bureau of the WPK Central Committee, and other senior officials of the party and the state.

Also seen in the platform party were head of the congratulatory group of Koreans in Japan to celebrate the victory day Yi Chin-kyu, first vice-chairman and Yi Song-u, vice-chairman, of the Central Standing Committee of Chongnyon [General Association of Korean Residents in Japan].

A veteran of the fatherland liberation war Yi In-mo, a former war correspondent of the Korean People's Army, also appeared on the platform.

The platform party included his Royal Highness Samdech Norodom Sihanouk, head of state, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia; Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organisation and commander-in-chief of the Palestinian Revolutionary Armed Forces, heads of government, party leaders and special envoys of heads of state and heads of delegations of different countries who came here to participate in the celebrations of the war victory day.

The reviewing stands were occupied by leading officials of party and power bodies, administrative and economic organs and public organizations, anti-Japanese revolutionary fighters, veterans of the fatherland liberation war and labour innovators.

The congratulatory group of Koreans from Japan which came to celebrate the anniversary, the chief of the mission of the "National Democratic Front of South Korea" in Pyongyang and Koreans overseas were present there.

Seen on the reviewing stands were also foreign delegations and friends and visitors who have come to participate in the celebrations and foreign diplomatic envoys and members of military attache corps in Pyongyang.

Choe Kwang, chief of the General Staff of the Korean People's Army, made a report to Comrade Kim Chong-il, supreme commander of the Korean People's Army, on the start of the military parade in celebration of the 40th anniversary of the victory in the war.

Choe Kwang, vice-chairman of the National Defence Commission of the DPRK and chief of the General Staff of the KPA, made a congratulatory speech.

He said:

The victory of our people in the fatherland liberation war was a great victory of the great leader comrade Kim Il-song's outstanding military thought, strategy and tactics, *chuche*-based war methods and extraordinary commanding art; it was a historic event showing that the people who gallantly fight to shape their own destiny in close unity around the leader can defeat any imperialist aggressive forces and defend the dignity and sovereignty of the nation.

Our people and People's Army will in the future, too, firmly defend and add shine to the Korean-style socialism centred on the popular masses which embodies the *chuche* idea and accelerate the accomplishment of the cause of national reunification with the united strength of the whole nation.

When the start of the parade was declared, the columns began marching past.

Following the column of army colors, the columns of Kim Il-song Military University, Kim Il-song Political University, Kim Chaek Air Force University, Kim Chong-suk Naval University, Kang Kon General Military Academy and other military academies and the columns of the Mangyongdae Revolutionary School and Nampo Revolutionary School marched past the platform.

President Kim Il-song with bright smile on his face raised his hand in acknowledgement.

Watching the grand march of the columns of a-match-for-a-hundred commanding officers who are growing into military and political cadres firmly armed with latest military science and technique at military academies at all levels to carry out the policy of making the whole army a cadre army, the spectators sent enthusiastic cheers to them, feeling the great national pride in having powerful defence capabilities for destroying any aggressor.

Then followed columns of the worker-peasant red guards and the young red guards.

Then followed a mammoth demonstrations of civilians.

Led by a column of the national flags of the republic there came into the square a cheering column, columns of veterans of the fatherland liberation war and those who rendered meritorious services, columns of districts of Pyongyang, a column of rhythmic torchlight, a column of builders, a column of coal miners, a column of railway workers, a column of textile workers, a column of agricultural working people, a column of intellectuals, a small drum column of the children's union, a column of artistes, a column of the speed campaign youth shock brigades and a column of shock brigades of party members.

The demonstrators, looking up to the platform, wholeheartedly wished President Kim Il-song good health and long life for the eternal prosperity of the country, for the

accomplishment of the cause of socialism and for the independent and peaceful reunification of the country.

At the end of the mass demonstration, stormy cheers of "hurrah!" And a salvo of hundreds of guns was fired and thousands of balloons went up when President Kim Il-song and Comrade Kim Chong-il, together with foreign guests, walked down to the balcony of the platform and waved to the enthusiastically cheering crowds.

Pyongyangites turned on to the streets and warmly welcomed the paraders, waving bunches of flowers and national flags of the Republic and throwing five-color tapes and confetti at them.

Choe Kwang Speaks at Parade

SK2707114993 *Pyongyang Korean Central*
Broadcasting Network in Korean 0320 GMT 27 Jul 93

[Speech by Choe Kwang, member of the Workers Party of Korea Central Committee Political Bureau and chief of the general staff of the Korean People's Army, at a "military parade and demonstration of one million people" held at Kim Il-song Square in Pyongyang on 27 July, the 40th anniversary of the "victory in the fatherland liberation war"—recorded.]

[Text] Comrade officers and men of the three services of the Korean People's Army [KPA] and of the People's Security Forces, the fighters of the anti-Japanese revolutionary war, the war veterans of the fatherland liberation war, the members of the Red Worker-Peasant Militia, Red Youth Guards, the working people of the country, and respected and beloved citizens, and respected foreign comrades and friends: Today, under the emotional environment in which great joy and revolutionary spirit overflow all over the country and in which all the people are registering brilliant labor exploits in all fronts of socialist construction with the great pride of victors, we grandly celebrate the 40th anniversary of the war victory, the day of a second liberation in which we defeated the imperialist aggression and defended national dignity and sovereignty.

We are celebrating the 40th anniversary of war victory upholding the great leader Generalissimo Kim Il-song who led the fatherland liberation war to brilliant victory and defended the country's independence and national sovereignty, giving our people great national pride of war victors and leading our people and the People's Army with invariable wisdom along the single road of victory and glory. This is the foremost glory and happiness for all our people and officers and men of the People's Army. [applause]

Greeting the 40th anniversary of the victory in the great fatherland liberation war, by authority of the KPA supreme commander and in the name of the Workers Party of Korea [WPK] Central Committee Political Bureau and the party Central Military Commission, I warmly congratulate the old fighters of the anti-Japanese

revolutionary war; the veterans of the fatherland liberation war; the brilliant officers and men of the People's Army and the People's Security Forces; members of the Red Worker-Peasant Militia and Red Youth guards; and the working people of all the country, who have devoted themselves to the freedom and independence of the country, national sovereignty, the party, and the revolution. [applause]

Our people's victory in the fatherland liberation war was a great victory of the outstanding military ideology, strategy and tactics, brilliant military warfare, and extraordinary arts of commanding the army of the respected and beloved leader Comrade Kim Il-song. It was a historic event which demonstrated that the people who wage a brave struggle to pioneer their destiny in firm unity around the leader can defeat any imperialist aggression forces and defend national dignity and sovereignty. [applause]

For these 40 years since the magnificent war victory gun salute was fired, our people have more firmly united around the party and the leader and crushed the continuous aggression and provocation maneuvers of the international reactionary forces with the same unequalled mass heroism, patriotic devotion, and indomitable fighting spirit as they displayed in the stern days of war. In so doing, they have vigorously accelerated the revolution and construction and built the excellent, prosperous, popular mass-centered socialism of our own style in the land of the fatherland.

Our people and the People's Army that won a great victory in the arduous but rewarding struggle for the revolution and construction will continue, in the future too, to wage a vigorous general march of the socialism of our own style upholding the leadership of the party and the leader, so that we can resolutely defend, adhere to, and add luster to the popular mass-centered socialism of our country embodying the *chuche* idea. In so doing, they will expedite the cause of reunifying the country with the united might of the entire nation. [applause]

Let us all firmly unite around the party Central Committee headed by the respected and beloved Comrade Kim Il-song and wage a vigorous struggle for the victory of the *chuche* socialist cause and the country's independent and peaceful reunification and for the independence of all the world. [applause]

Long live the great leader of our party and our people Comrade Kim Il-song! [applause] Long live the glorious WPK, the eternal guide and organizer of our revolutionary armed forces! [applause] Long live the 40th anniversary of the victory in the great fatherland liberation war! [applause]

Kim Il-song's Brother Attends Parade

SK2707142693 *Pyongyang Korean Central Broadcasting Network in Korean* 1222 GMT 27 Jul 93

[Excerpts] A military parade of the military schools of various levels of the Korean People's Army [KPA], the

Red Worker-Peasant Militia, and the Red Youth guards and a mass demonstration of one million to commemorate the victory of the great fatherland liberation war was held in the revolutionary capital of Pyongyang today. [passage omitted]

At 1000, the great leader Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and DPRK president, appeared on the platform. Comrade Kim Chong-il, chairman of the DPRK National Defense Commission and supreme commander of the KPA, appeared on the platform. [passage omitted]

Also present on the platform were Comrade O Chin-u, first vice chairman of the DPRK National Defense Commission and minister of the People's Armed Forces; Comrade Kang Song-san, member of the WPK Central Committee Political Bureau and premier of the State Administration Council; Comrade Pak Song-chol, member of the WPK Central Committee Political Bureau and vice president; Comrade Kim Yong-nam, member of the WPK Central Committee Political Bureau, vice premier of the State Administration Council, and foreign minister; Comrade Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Chon Pyong-ho, member of the DPRK National Defense Commission and secretary of the party Central Committee; Comrade Kim Yong-chu, former vice premier of the State Administration Council; Comrade Han Song-yong, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Kim Chol-man, member of the DPRK National Defense Commission; Comrades Choe Tae-pok, Kim Yong-sun, alternate members of the Political Bureau and secretaries of the WPK Central Committee; Comrades Choe Yong-nim, Hong Song-nam, Kang Hui-won, and Kim Tal-hyon, alternate members of the WPK Central Committee Political Bureau and vice premiers of the State Administration Council; Comrades Yi Ul-sol, Chu To-il, Choe In-tok, Paek Hak-nim, Yi Tu-ik, and Kim Pong-yul, vice marshals of the KPA; Comrades Kim Chung-nin, Yun Ki-pok, So Kwan-hui, Hwang Chang-yop, Kim Ki-nam, Kim Kuk-tae, and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Chang-chu, Kim Yun-hyok, Kim Hwan, and Chang-chol, vice premiers of the State Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly; Comrade Chon Mun-sop, chairman of the State Inspection Commission; Kim Pyong-sik, chairman of the Korean Social Democratic Party Central Committee; and Yu Mi-yong, chairman of the Chondoist Chongu Party Central Committee; Yi Chin-kyu, first vice chairman of the Central Standing Committee of the General Association of Korean Residents in Japan [Chongnyon] and head of the Japan-resident Korean delegation to celebrate the 40th anniversary of the victory in the great fatherland liberation war; and Yi Song-u, vice chairman of the Chongnyon Central Standing Committee. [passage omitted]

Kim Il-song Hosts Banquet

*SK2707155493 Pyongyang KCNA in English 1533
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—The respected leader Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, arranged a grand banquet at the Kumsusan Assembly Hall today in celebration of the 40th anniversary of the victory of the great fatherland liberation war.

Present there were O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces; Kang Song-san, Politburo member of the C.C., the WPK and premier of the Administration Council; Pak Song-chol, Politburo member of the C.C., the WPK and vice-president; and other senior officials of the party, the state and the army, deputies to the Supreme People's Assembly, leading officials of party and power bodies, administrative and economic organs, central organs, Armed Forces and public security organs and social organizations, anti-Japanese revolutionary fighters, those who rendered distinguished services to the anti-Japanese revolutionary struggle, leading men of scientific, educational, cultural and art, public health organs and the press, veterans of the fatherland liberation war, heroes, bereaved families of patriotic martyrs, disabled soldiers and officials concerned.

Present at the banquet were Yi Chin-kyu, first vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) who is heading a congratulatory group of Koreans in Japan to celebrate the anniversary, Yi Song-u, vice-chairman of the Central Standing Committee of Chongnyon, Cho Il-min, chief of the mission of the National Democratic Front of South Korea (Hanminjon) here, Korean-resident in the United States Son On-tae and his companion, veterans of the anti-Japanese war Yi Chae-tok, Kim Son and So Sun-ok and their families who are living in China and other Koreans overseas.

Present on the invitation were His Royal Highness Samdech Norodom Sihanouk, head of State of Cambodia, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia, Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces, heads of government, party leaders, special envoys of heads of state, heads of delegations of different countries and the family of Zhang Weihua who have come to participate in celebrations of the 40th anniversary of the victory of the Korean people in the great fatherland liberation war, foreign friends staying here and foreign diplomatic envoys and members of the military attaches corps here.

When President Kim Il-song, with heads of state and government of different countries, appeared in the banquet hall amid the playing of the welcome music the entire participants warmly welcomed them with stormy cheers "hurrah!" and thunderous applause.

O Chin-u delivered a speech at the banquet.

He said the victory of the Korean people in the great fatherland liberation war was a brilliant one of the respected leader Comrade Kim Il-song's outstanding political and military leadership and a precious fruition of the heroic struggle of the Korean people who bravely fought against the imperialists' invasion, united closely around the party and the leader.

"Though the aggressive and interventionist moves of the international reactionary forces have continued persistently, our people have undauntedly struggled under the banner of the chuche idea for socialist construction and for the independent and peaceful reunification of the country in the indomitable spirit and mettle which they displayed in the days of the rigorous war," he said, and declared:

"Our people and People's Army struggling for the just cause under the wise guidance of the party and the leader will as ever emerge victorious."

O Chin-u Speaks at Banquet

*SK2807105093 Pyongyang Korean Central
Broadcasting Network in Korean 0109 GMT 28 Jul 93*

[Speech by O Chin-u, first vice-chairman of the DPRK National Defense Commission and minister of People's Armed Forces, at a banquet arranged by DPRK President Kim Il-song at the Kumsusan Assembly Hall in celebration of the 40th anniversary of the victory of the fatherland liberation war on 27 July—read by announcer]

[Text] Comrades and respected foreign guests:

Today, all the people of the world's nations are magnificently celebrating the victory of the 40th anniversary of the great fatherland liberation war as a great festival of the victors. We feel that it is our utmost honor and happiness for the state and government heads and party leaders of various countries including high-ranking figures and goodwill missions to gather here together along with the respected and beloved leader Comrade Kim Il-song.

Upon the great leader Comrade Kim Il-song's authorization on the occasion of the 40th anniversary of the victory of the fatherland liberation war, I, in the name of the Political Bureau of the Workers Party of Korea Central Committee and the party Central Military Commission, enthusiastically congratulate all the people and officers and men of the People's Army and the People's Security Forces who are significantly welcoming the anniversary of the victory of the war. I also enthusiastically welcome goodwill missions from various countries

of the world and foreign comrades and friends who came to our country to congratulate our holiday.

Our people's victory in the great fatherland liberation war was a brilliant one and was a result of the respected and beloved leader Comrade Kim Il-song's extraordinary political and military leadership. It was the precious fruition of the heroic struggle of our people who bravely fought against the imperialists' armed invasion, firmly united around the party and the leader.

During the days of the sacred fight opposing the imperialists' armed invasion, our people received active support and encouragement from many countries of the world and billions of people including socialist countries. Especially, the fraternal Chinese people sent their superior sons and daughters to the Korean front and helped our people's cause for justice through blood. Our people have never forgotten this and are always grateful for their help.

Aggression and maneuvers of interference by the international reactionary forces are being carried out continuously. Regardless of this condition, our people are highly upholding the banner of the *chuche* idea and carrying out vigorous struggle for socialist construction and the fatherland's independent and peaceful reunification with the indomitable spirit and vigor manifested during the arduous days of war.

Our people and the People's Army that are struggling for a just cause under the wise leadership of the party and the leader will continue to be always victorious.

At this significant place celebrating the 40th anniversary of the victory of the fatherland liberation war, I propose a toast to the fatherland's reunification; to the nation's prosperity; to the completion of the *chuche* revolutionary cause; to the long life of Comrade Kim Il-song, the great leader of our party and our people; to the health of our heroic people and officers and men of the People's Army and the People's Security Forces who are carrying out vigorous struggle in socialist construction and posts safeguarding the fatherland; to the health of fellow countrymen overseas including members of the General Association of Koreans Residing in the Japan delegation who came to the socialist fatherland and are significantly welcoming the anniversary of the victory of the war; to the health of state and government heads and party leaders including high-ranking figures and foreign comrades and friends from various countries who came to congratulate our holiday; and to the health of all the comrades who are participating here.

Kim Il-song's Brother at Banquet

*SK2807014793 Pyongyang Korean Central
Broadcasting Network in Korean 2110 GMT 27 Jul 93*

[Excerpt] The respected leader Comrade Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and the DPRK president, arranged a grand banquet at the Kumsusan Assembly Hall on 27

July in celebration of the 40th anniversary of the victory of the great fatherland liberation war.

Present there were Comrade O Chin-u, first vice-chairman of the DPRK National Defense Commission and minister of People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Comrade Pak Song-chol, member of the Political Bureau of the WPK Central Committee and vice-president; Comrade Kim Yong-nam, member of the Political Bureau of the WPK Central Committee and vice premier of the Administration Council and foreign minister; Comrade Choe Kwang, vice chairman of the DPRK National Defense Commission and Chief of General Staff of the Korean People's Army [KPA]; Comrade Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Chon Pyong-ho, member of the DPRK National Defense Commission and secretary of the party Central Committee; Comrade Kim Yong-chu [Kim Il-song's younger brother], former vice premier of the Administration Council; Comrade Han Song-yong, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Kim Chol-man, member of the DPRK National Defense Commission; Comrades Choe Tae-pok and Kim Yong-sun, candidate members of the Political Bureau and secretaries of the WPK Central Committee; Comrades Choe Yong-nim, Hong Song-nam, Kang Hui-won and Kim Tal-hyon, candidate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrades Yi Ul-sol, Chu To-il, Choe In-tok, Paek Hak-nim, Yi Tu-ik, Kim Pong-ul and Kim Kwang-chin, vice marshals of the KPA; Comrades Kim Chung-nin, Yun Ki-pok, So Kwan-hui, Hwang Chang-yop, Kim Ki-nam, Kim Kuk-tae and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Yun-hyok, Kim Hwan and Chang-chol, vice premiers of the Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly; Comrade Chon Mun-sop, chairman of the State Inspection Commission; Kim Pyong-sik, chairman of the Korean Social Democratic Party; Yu Mi-yong, chairman of the Chondoist Chongu Party; members and candidate members of the WPK Central Committee; members of the party Central Military Commission; members of the DPRK National Defense Commission; deputies to the SPA; responsible functionaries from the party, government organizations, administration and economic organizations, central organizations, Armed Forces organizations, public security organizations and public organizations; anti-Japanese revolutionary fighters; meritorious personages in anti-Japanese revolutionary struggle; responsible functionaries from domains of science, education, culture, art, public health, publication and press; war veterans in the fatherland liberation war; heroes; bereaved families of patriotic martyrs; disabled veterans, and personages concerned. [passage omitted]

Celebration Held at May Day Stadium

*SK2807072893 Pyongyang KCNA in English 0444
GMT 28 Jul 93*

[Text] Pyongyang, July 28 (KCNA)—A grand evening "We won victory" took place at the May Day stadium here Tuesday night to celebrate the 40th anniversary of the victory in the great Fatherland Liberation War.

The venue, a forest of flags of the Republic, flags of the party and red banners, was garbed in a festive attire.

The stadium, installed with a chorus stand for 2,000, a specially-made moving stage and other stages of various kinds, a large slide screen and beautiful electric lighting facilities, formed a grand festival stage.

The 150,000-seat stand of the stadium was packed to capacity with veterans of the fatherland liberation war, people of wartime meritorious services, participants in the military parade and mammoth civilian demonstration marking the 40th anniversary of the victory in the war, People's Army soldiers, disabled soldiers, demobilized soldiers, working people and youth and students in the city.

The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, appeared on the platform amid the playing of the welcome music.

That moment, stormy cheers of "Hurrah!" burst forth and waves of flags of the republic and the party and flowers rolled vigorously in the stadium.

A big floral basket, with Kimilsongia and Kimchongilia, and letters "glory" and "congratulations" appeared on the background. Streaming on the electric light screen were letters reading "Long live the great leader Comrade Kim Il-song!" And "Long live the 40th anniversary of the victory in the fatherland liberation war!" And floral waves of welcome rolled on the floor without letup.

Several hundred firecrackers burst out and rubber balloons were let to fly above the venue of the evening, beautifully decorating the nocturnal sky.

The platform was taken by O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces; premier of the Administration Council Kang Song-san and Vice-president Pak Song-chol who are Politburo members of the Central Committee of the Workers' Party of Korea; and other leading party and state officials.

Yi In-mo, a former war correspondent of the Korean People's Army and veteran of the fatherland liberation war, was also seen on the platform.

The platform was also taken by Yi Chin-kyu, first vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) who came at the head of a congratulatory

group of Koreans in Japan to celebrate the 40th anniversary of the victory in the great Fatherland Liberation War.

Among the platform party were His Royal Highness Samdech Norodom Sihanouk, head of state, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia, Yasir 'Arafat, president of the State of Palestine, chairman of the PLO Executive Committee and commander-in-chief of the Palestinian Revolutionary Armed Forces, and heads of government and party leaders, special envoys of heads of state and heads of delegations of different countries, who came to participate in celebrations of the anniversary.

Seats reserved for guests of honour were occupied by the congratulatory group of Koreans in Japan for celebrating the 40th anniversary of the victory in the great Fatherland Liberation War, the chief of the Pyongyang mission of the South Korean National Democratic Front (Hanminjon) and Koreans from overseas.

The evening began with a grand melody of the orchestral music and chorus "The People Sing of the Leader" ringing out and a beautiful scene of dance spreading.

Soldiers of the three services of the Korean People's Army, with infinite joy and pride of having won victory in the three-year war, fired salutes toward a high-standing torch.

That moment, the torch of victory flared up in the nocturnal sky, firecrackers of victory in the war were let off one on the heels of the other, and an image of President Kim Il-song on the platform reviewing a military parade marking the victory in the war appeared on the background.

The evening show, performed by more than 80,000 youths and students, People's Army soldiers, school children, artistes and sportsmen, was a spectacular one overflowing with ecstasies and passion in which kaleidoscopic pictures were spread with a good combination of poems and songs, dances, acrobatic pieces, rhythmic gymnastic pieces, a mass gymnastic display and the background display and various other means of representation.

The performers well showed in a grand epical canvas the immortal feats of President Kim Il-song who put forward the outstanding military idea and chuche-based war methods and wisely lead the whole party, army and all the people, thereby defeating the armed invasion of the imperialist allied forces.

They also emotionally showed the patriotic devotion and indomitable fighting spirit of the Korean people who have built a rich and powerful socialist country in this land which had been reduced to ruins, and the iron faith and will of the five million youth vanguards to defend and further exalt down through generations the Korean-style socialism centred on the masses.

At the end of the evening thousands of firecrackers burst forth and waves of flowers rolled in vigorously. President Kim Il-song waved in acknowledgement of the enthusiastic cheers of the crowds.

Kim Il-song Attends Celebration

*SK2707152493 Pyongyang KCNA in English 1516
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—A grand evening "We Won Victory" took place at the 150,000-seat May Day Stadium here tonight on the occasion of the 40th anniversary of the victory in the great fatherland liberation war.

It was seen by the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea.

Invited to see the evening were His Royal Highness Samdech Norodom Sihanouk, head of state of Cambodia, chairman of the Supreme National Council and supreme commander of the Armed Forces, Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces, heads of government, party leaders, special envoys of heads of state and delegations of different countries who have come here to participate in celebrations of the 40th anniversary of the victory of the Korean people in the war.

The evening, performed by more than 80,000 youths and students, People's Army soldiers, school children, artistes and sportsmen, successfully depicts through great epical canvases the undying feats of President Kim Il-song in repulsing the imperialist allied forces' invasion.

It consists of poems, songs, dances, acrobatic pieces, rhythmic dances, mass gymnastic display as well as background stand and other means of depiction.

Kim Il-song's Brother at Celebration

*SK2807015993 Pyongyang Korean Central
Broadcasting Network in Korean 2120 GMT 27 Jul 93*

[Excerpts] A grand soiree commemorating the 40th anniversary of the victory of the great fatherland liberation, "We won the victory," was held in the May Day Stadium in the capital on the night of 27 July. [passage omitted]

Present at the soiree were Comrade O Chin-u, first vice-chairman of the DPRK National Defense Commission and minister of People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Comrade Pak Song-chol, member of the Political Bureau of the WPK Central Committee and vice-president; Comrade Kim Yong-nam, member of the

Political Bureau of the WPK Central Committee and vice premier of the Administration Council and foreign minister; Comrade Choe Kwang, vice chairman of the DPRK National Defense Commission and Chief of General Staff of the Korean People's Army (KPA); Comrade Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Chon Pyong-ho, member of the DPRK National Defense Commission and secretary of the party Central Committee; Comrade Kim Yong-chu [Kim Il-song's Younger brother], former vice premier of the Administration Council; Comrade Han Song-yong, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Kim Chol-man, member of the DPRK National Defense Commission; Comrades Choe Taepok and Kim Yong-sun, candidate members of the Political Bureau and secretaries of the WPK Central Committee; Comrades Choe Yong-nim, Hong Songnam, Kang Hui-won and Kim Tal-hyon, candidate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrades Yi Ul-sol, Chu To-il, Choe In-tok, Paek Haknim, Yi Tu-ik, Kim Pong-ul and Kim Kwang-chin, vice marshals of the KPA; Comrades Kim Chung-nin, Yun Ki-pok, So Kwan-hui, Hwang Chang-yop, Kim Ki-nam, Kim Kuk-tae and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Chang-chu, Kim Yun-hyok, Kim Hwan and Chang-chol, vice premiers of the Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly; Comrade Chon Mun-sop, chairman of the State Inspection Commission; Kim Pyong-sik, chairman of the Korean Social Democratic Party, and Yu Mi-yong, chairman of the Chondoist Chongu Party, came to the rostrum. [passage omitted]

Monuments Mark Anniversary

*SK2707123693 Pyongyang KCNA in English 1039
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—The monument to the victory in the fatherland liberation war was completed in Korea on the occasion of the 40th anniversary of the Korean people's victory in the war (July 27).

A monumental edifice, it is situated on a bank of the beautiful Pothong River in Pyongyang. It reflects the unshakable revolutionary faith and will of the Korean people to convey down through generations the feats of the Korean people and People's Army soldiers who fought a heroic fight for the freedom and independence of the country in the fatherland liberation war (June 1950 to July 1953) and to firmly defend the cause of socialism and win final victory of the revolutionary cause of chuche.

It occupies an area of 150,000 square metres, some 400 metres in depth, with sculptures symmetrically standing. It is divided into the ground of the monument bearing personal handwritings, the ground of group sculptures of battles and the ground for sculpture of victory.

A gate 20 metres in height, 40 metres in length and 12 meters in width stands at the entrance. Attached to it are words reading "Monument to the victory in the fatherland liberation war", an autograph of the Great Leader President Kim Il-song. The People's Army cap-badge is flanked by flags of the Republic, and three-men groups of sculptures representing the three services are standing on both pillars.

When you pass through the gate you see on each side the monument bearing personal handwritings of the great leader and a monument of a poem are seen inside the gate.

The autograph reads:

"The heroic feats of our People's Army and people who defeated the imperialist allied forces and defended the freedom and independence of the fatherland with credit in the great fatherland liberation war by inheriting the traditions of the anti-Japanese revolution will shine through all generations.

[Signed] Kim Il-song

[Dated] July 27, 1993"

When the visitors pass by the two posts showing soldiers standing against the background of the flag of the Workers' Party of Korea and the army colors, they see group sculptures of the monument.

At the end of the depth there is the sculpture of the main theme "victory" portraying a soldier shouting "Hurrah!" Upon the victory in the war, flying the flag of the Republic.

The pedestal of this group sculpture is 7 metres high and its total height is 27 metres. The figures symbolize July 27, the historical day of victory in the war.

Standing symmetrically on the ground of battle group sculptures are 10 group sculptures of different themes including "Defenders of Height 1211", "Battle to Liberate Taejon", "Heroes on Wolmi Island" and "People in The Rear Supporting The Front".

The group sculptures is 5 to 7 metres in height and 8 to 10.5 metres in length.

The monument to the victory in the war and the victorious Fatherland Liberation War Museum were linked by a bridge built over the Pothong River.

Construction Developments Noted

*SK2707123893 Pyongyang KCNA in English 1045
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—Construction projects have been completed or commissioned in the DPRK on the occasion of the 40th anniversary of victory in the war.

The construction of dwelling houses for 30,000 families has been completed in the capital city of Pyongyang.

The builders of the capital and People's Army soldiers who constructed apartment houses for 50,000 families last year built grand and splendid, super high-rise houses for 30,000 families with a total plottage of 13,250,000 square metres in a little more than one year. Constructed in the housing quarters are also schools, kindergartens, nurseries, shops and other educational, cultural and service facilities.

In this period the builders and soldiers ensured the commissioning or completed over 30 objects. Among them are the monument to the victory in the fatherland liberation war, the three-revolution exhibition, boiler no. 2, turbine and generator of the East Pyongyang Thermal Power Plant and the Scientists Hotel.

The construction of the Hwaphung Coal Mine of the Anju District Coal Mining Complex and a pit belt conveyor of the Namyang Coal Mine of the Pukchang District Coal Mining Complex were completed and put into operation.

The builders of the Hwaphung Coal Mine tunnelled several shafts and pits and completed in a short time nearly 40 construction objects and a project of a coal carriage system extending thousands of metres and the builders of the pit belt conveyor of the Namyang Coal Mine achieved significant results in building pits of over four kilometres and assembling belt conveyors. The commissioning of a large-scale new coal mine and the modernisation of coal carriage have made it possible to more satisfactorily meet the growing demands of the national economy for coal.

And the Tacan, Yomju and Chungsan import garment factories and other industrial establishments were commissioned.

Leader's 'Blueprint' To Rebuild Reviewed

*SK2407111093 Pyongyang KCNA in English 1017
GMT 24 Jul 93*

[“Step Taken by Brilliant Commander”—KCNA headline]

[Text] Pyongyang, July 24 (KCNA)—July 27 this year is a significant day marking the 40th anniversary of the victory of the Korean people in the Fatherland Liberation War.

On this occasion they recall with emotion the fact that the great leader President Kim Il-song unfolded a blueprint of postwar reconstruction in the days of the rigorous war, convinced of victory in the war for repulsing the aggression of the formidable imperialist allied forces.

The great leader President Kim Il-song said:

"The great Fatherland Liberation War... will surely end in a victory for our people. We must hurry up with the preparations for postwar reconstruction with a firm faith in victory."

He indicated the orientation of postwar reconstruction already in December 1950, six months after the outbreak of the war and wisely guided the work for its materialisation. The feats in his leadership in the days of war are his tireless efforts devoted to the work for building Pyongyang as we see it today. He walked over four kilometres to go round Pyongyang which was reduced to ruins in a heavy bombing of the enemy in early January 1951. He went up the Changdaejae and pictured to himself Pyongyang to be built grandly.

He summoned designers and assigned them a task to map out a general plan of the reconstruction of Pyongyang. He examined and completed the designs worked out by them on the operational table of the supreme command one by one. In May 1952 he saw to it that a decision of the cabinet on the reconstruction of Pyongyang was adopted and an exhibition was opened at the Pyongyang Moranbong underground theatre to show the prospect of reconstruction.

President Kim Il-song also took a step to train native cadres and technical personnel for the building of the country. He recalled students of Kim Chaek University of Technology in early 1951 when every soldier was counted in the fight against the enemy, and then in August that year issued a directive of the Military Commission "On Recalling University Graduates and Students", calling the teachers and students who were fighting in the whole length of the front to universities.

Giving on-the-spot guidance to Kim Il-song University in April 1952 and Kim Chaek University of Technology and other universities in June that year, he indicated the orientation and way of the training of native cadres and looked after the work and life of the teachers and students of universities.

On the other hand, he made sure that grand nature-remaking projects and scientific researches were carried on without interruption even under the wartime conditions. He formed survey groups in April 1952 to give precedence to the survey for the reclamation of inland highlands and west coastal tideland. Thus work began for upturning the Kaema and Paekmu plateaus in the northern area and nature-remaking went on to turn the tideland into fertile paddy-fields by damming off the West Sea water.

And he convened a scientists meeting in April 1952 and founded the Academy of Sciences in December that year for an overall guidance of scientific researches. Decisions of the cabinet and steps adopted for the future of the country after victory in the war numbered more than 600, which included steps for building the machine-building industrial bases indispensable for the economic reconstruction of the country and enforcing the compulsory free medical system.

These steps provided a firm guarantee to carry out the postwar reconstruction successfully in a short time.

Radio Essay Marks War Anniversary

SK2507141993 *Pyongyang Korean Central*
Broadcasting Network in Korean 0721 GMT 21 Jul 93

[NODONG SINMUN 21 July radio essay: "Great Winner"]

[Text] The proud winners of our times celebrate with delight the victory they won—the 40th anniversary of victory in the great Fatherland Liberation War!

The 40th anniversary of the war victory shows the proud historic victory our people and the People's Army won after crushing [kyokpahago] the U.S. imperialists' armed invasion and honorably defending the freedom and independence of the fatherland!

The 40th anniversary of war victory demonstrates to the world the heroic mettle and indomitable will of our people who are defending, adhering to, and adding luster to the cause of socialism, while smashing [chitpusimy-onso] all challenges and aggressive moves of the imperialists!

Nothing in the world can be compared to the joy, ecstasy, dignity, pride, confidence, and optimism of our people who celebrate the glorious day of the victory.

Our people greeted the day of victory that marks the most brilliant chapter of the history of our fatherland tens of times. We greeted and celebrated the 10th, the 20th, and the 30th anniversaries of the war victory. However, never before have our people's hearts surged with waves of a winner's pride as they do now as we greet the 40th anniversary of the victory in the great Fatherland Liberation War.

Why is it that our party and people greet their 40th anniversary of victory as an unprecedented great winner's festival so grandly? Why is it that our people's hearts are so joyful and filled with delight and with incomparable pride as they celebrate the victory achieved 40 years ago?

The dear leader Comrade Kim Chong-il has noted: Building the memorial tower of victory in the Fatherland Liberation War and grandly commemorating the 40th anniversary of the war victory not only commemorate the victory in the Fatherland Liberation War but also celebrate our victory in adhering to socialism for 40 years. It also demonstrates to the world the socialism of our own style, to which we firmly adhere, and which is marching forward victoriously in a corner of the Orient.

The Korean people, who are under the great party's leadership while upholding the great leader Comrade Kim Il-song, are not only winners who defeated the strongest imperialist aggressors but also great winners

who achieved victory in socialist construction in the four decades after the war, winning victory after victory today as well.

The 40th anniversary of the victory in our great Fatherland Liberation War! This is the great festival of the great winners of our times celebrating their historical victory. It is a great festival of the most glorious winners, demonstrating the victory of the revolutionary faith and the immortal will of our party and people who are firmly adhering to and victoriously advancing socialism of our own style in a corner of the Orient along the road of *chuche*, overcoming the stern trials and difficulties of history.

The memorial tower of victory stands high in our fatherland, driving out the raging wind that sweeps the earth. Our people built the memorial tower to commemorate victory in the Fatherland Liberation War near the bank of the Potong River in Pyongyang, capital of the revolution, in order to uphold the party's will and greet the great festival of July most meaningfully.

With the approach of the unveiling ceremony, the war victory tower reveals its grandeur with the statue of the indomitable heroic Korean People's Army which stands waving the flag of victory, like an incarnation of eternal victory, in defeating the aggressors. Seeing the solemn statue and other group statues of victory and the mettle of a giant, all of the people feel great pride deep in their hearts and reminisce with deep emotion and pride about the days of great victory in the Fatherland Liberation War.

Standing in front of this tower of victory, our people are unable to repress the joy of being proud victors, recalling the unforgettable memory of the noble sacrifice and feats which expedited the victory of the war on numerous hills, in the sky, on the land and sea, and in the frontline and rear areas in this country. The victory in the great Fatherland Liberation War which recorded a brilliant new chapter in the history of our people's struggle for liberation and the history of the world's struggle against imperialism is a brilliant victory of the great leader Comrade Kim Il-song's outstanding military ideology, strategies, and tactics and the *chuche*-oriented war method and troop leadership method. It is also a historic victory which demonstrated to the world that the people who bravely struggle, firmly uniting around the leader, can defeat any imperialist aggression forces and defend the nation's dignity and sovereignty.

July 27, the second liberation day, which brilliantly shines in the history of our fatherland, is the day of history which bestowed upon the bosoms of our people the eternal dignity over the Korean people's powerfulness and invincibility which cannot be broken off or conquered by anything.

People say that as time passes, many things are to be forgotten or become dim. However, our people's memory of the days of war—during which they smashed the aggressors and, thus, honorably defended the

nation's dignity and sovereignty for the party, the leader, the fatherland, and the people, devoting their lives, in the most grim period of determining the nation's fate—becomes more vivid and further radiates brilliance as time passes.

However, the feelings of recollection on the war victory day in our people's joy of celebrating the victory won 40 years ago are not the only ones that exist. Commander of the [word indistinct] battalion of the party members shock brigade unit, who performed labor exploits in the construction of the tower of victory in the fatherland liberation war and who is going to greet today's great festival with the pride of being a builder of this historic tower says: We have built this tower of victory in spite of the grim circumstances in which the imperialists are making all sorts of offensives designed to swallow us, thinking of the victory of the war in the past, as well as today's victory. Today we are winning victory in victory in our struggle to smash all sorts of maneuvers by the imperialists and to defend and glorify socialism under the leadership of the dear comrade leader. This tower is not only a tower of commemorating the victory in the war, but is also a tower of commemorating the victory of our socialism.

These remarks by this heroic tower builder are moving the hearts of our people who are marking the 40th anniversary of the victory of the war. Much time has passed since the day when the hurrah of the victory of the fatherland liberation war shook the sky and ground, and during this period great changes and great and significant victories have been achieved in our revolution.

The 40 years of postwar history in which the Korean revolution and our people have traversed is, along with the three years of the fierce war, a most formidable but honorable history which we can never forget, and the victories achieved during these days and the victory that we have been winning repeatedly are great victories which are equivalent to the victories won in big wars.

The ideological feelings of our people greeting the 40th anniversary of the victory in the war as a great festival of victors comprise the incomparable dignity that they are also victors in defending and glorifying socialism today.

On this land where the whole country is seething with an atmosphere of great festivities, the song, "We Have Won Victory by Smashing the Enemies," sung by our people right after the cease fire with the joy of victory in the war is being sung among them as a song praising today's victories.

When the whole country was seething with victors' joy as a festive day after the semiwar state was lifted last March, music bands played this song on the streets in the capital to bless citizens going to work. At that time, the people said with joy: We have won victory again today by rising up as one man under the leadership General Kim Chong-il, the great commander supreme commander. We are always victorious.

"We won the victory". Our people sing in high pride this song in which the emotional memory of the war victory dwells as the one of today's victory. We have pride that we are not only yesterday's proud victor but also today's great victor. In this matchless pride, a memorial tower of the victory in our fatherland liberation war soared high in the sky above this land. In this pride, large-scale and historic veterans' meetings which highly eulogize those of feat of war victory with the love of times and are unprecedented in any country in the world will be held in the blessing of times in the capital city of the revolution—Pyongyang—and various places throughout the country.

Builders of the capital city who are to hold a happy event for moving to new houses after brilliantly accomplishing a goal for the second phase of construction on Tongil street on the road of bringing into bloom our party's lofty intention to provide the people with better houses; builders of the Kumsong reclaimed tideland, who changed fatherland's map by reclaiming some 16 square kilo meters of sea and creating thousands of acres of new land on the road of realizing our party's grand plan for remaking the great nature; and workers throughout country, who turn out in a general onward march of socialism of our own style and carry out new exploits by upholding the party Central Committee's slogans on the 40th anniversary of the war victory, will greet the great festival of July with the pride of great victory.

The matchless dignity of our people who pompously commemorate their 40th anniversary of war victory as an unprecedented, great festival of the victor, the special glory of Korea, and the significance of a great era lie precisely in recalling the victory of the past amid today's victory while singing a song of the war victory as the song of today's victory.

Only today's victor can look back on the victory of the past in high pride and celebrate it jubilantly. Every country and nation have days of victory and days of commemorating war victory. Commemorating the days of victory won in a sacred war for freedom and liberation of the fatherland constitutes a happy event of demonstrating the nation's dignity and glory. It is an expression of respect and reverence to late fighters who devoted their blood and life to the victory. It is also tantamount to a solemn oath that we will make their blood worthwhile.

As history shows, however, everyone cannot always gloriously celebrate his days of victory. No matter how great the victory of the past is, but for today's victory there exists no pride of the past and faith in tomorrow and no great, happy event to splendidly commemorate the day of victory can exist.

In countries which have failed to defend their cause, veterans who had shed their blood for their fatherlands in the past were forsaken; their decorations of war victory, which had shined on their bosom, were sold for a few pennies in the market; and even memorial towers

which had been proud of world events and historic victories were destroyed. What do these heart-breaking circumstances show?

Even though they were yesterday's victors and if they fail to adhere to and shine their cause, even the nation's proud history, the valuable tradition of revolution, and the glorious memory of life will be worthless. Only when today's victory exists, will yesterday's victory shine as well. Our people congratulate in high pride their historic victory as today's great victors.

Look at our socialist system which all people call our life and a part of daily life and loudly eulogize with endless affection and pride! It is the society where we think of everything with man as the center, make everything to serve man, and most valuably respect man's dignity and value. It is the popular masses-centered society of socialism of our own style, where everyone is free from worries over meals, clothing, and housing, and the whole society comprises a great, harmonious family in which they enjoy boundless happiness while helping and leading each other.

To protect and glorify this excellent socialism, which people in the world admire as the beacon of hope and an impregnable socialist stronghold, and whose superiority and invincible vitality are being demonstrated more and more as days go by, is the greatest victory our people have achieved under the leadership of the party and the leader.

The DPRK is the only country, among all socialist countries in the world, where the state thoroughly guarantees the people's life with complete responsibility.

During my stay in the DPRK, I have never seen a starving old man or woman lying on the street, homeless people sleeping at subway stations, poorly-dressed women shivering with cold on the streets in the winter, jobless people wandering around, beggars, boys working at markets because they cannot afford to go to school, or sick people lying in front of hospitals because they do not have enough money to receive medical treatment. These situations are all easily seen in capitalist countries or in countries where socialism has collapsed.

I would like to say: Let us keep the Korean-style socialism, a genuine model of socialism, steel-strong. Let us uphold Comrade Kim Chong-il forever in great esteem.

A foreigner from a country, where capitalism has been rehabilitated, made the above heartfelt remarks when he saw the reality of our ever-victorious socialism.

People miss their lost socialist fatherlands when they see the reality of our people's worthwhile life and great happiness. Listening to the foreigner's remarks, how deeply we are awakened to the value and greatness of the victory that our party and people have achieved today.

The entire party, all the people, and the entire Army have risen up as a mountain and are advancing, firmly

united as one. Not only in this single-hearted unity, but also in our strong fatherland, which valiantly demonstrates its political independence in confrontation with vicious challenges and aggressive maneuvers by the imperialists' allied forces and displays the boundless vitality of its self-reliant economy and the invincible might of its self-defensive revolutionary armed forces, we see the great victory of our socialist cause against capitalism. We also see the great victory in the historic announcement of the Pyongyang statement as well as in the stout struggle by revolutionary parties and peoples of the world, who have launched into a socialist rehabilitation movement.

Since the first socialist country realizing mankind's century-long cherished desire was established, many countries and nations in the world have struggled to pioneer the new, untrodden road. However, few countries succeeded in this difficult and complicated revolution and construction. Our people have succeeded in this huge and profound social and economic turnabout and are ever-victorious in today's serious political and military confrontation with imperialists, who try to smash [apsal] socialism. They are great winners who take great pride in making our socialist banner fly in a corner of the East.

Today, there are people who are talking about their victory in the world. Some people say that one side won the Cold War between the East and the West and the other side lost it. However, is there a winner? All countries of both of alleged winners and alleged losers have division, confusion, misgivings and gloomy views of the unclear future. While seeing this, we are very proud of our great victory.

Our dignity to decorate the 40th anniversary of the great victory in the Fatherland Liberation War with a winner's great festival. This is unparalleled happiness and dignity of the eternal winners, who are ever-victorious under the leadership the great leader and great party that is always leading our people to the single road of victory and honor.

There are winners and losers in history. Winners have dignity, pride, faith, and optimism. Losers have disgrace, contempt, pessimism, and desperation. Everyone wants to win. However, no victory of the revolution comes by itself. In order for a people to attain victory in their revolution, they need the leadership of a great leader and a great party. In order for a party and a leader [yongdoja] to lead their people to victory, they should have firm faith and will above all.

The great leader Comrade Kim Il-song created the immortal *chuche* idea, the banner of great victory, and defeated the two powerful imperialist aggression forces in one generation by fostering our people—who had been trampled underfoot by others—into a powerful people whom no one could provoke! The great leader Comrade Kim Il-song has built a powerful socialist country of self-dependence, self-support, and self-defense, that is,

the masses-centered socialism of our own style, on this land! Based on his summation of the lesson in the history of the working class' revolutionary struggle, the great leader elucidated the principle that the victory of the revolution lies in the revolutionary faith and strong will of defending and consummating the revolutionary cause pioneered by the leader generation after generation. Our great party leads Korea along the single road of *chuche* pioneered by the great leader! Our people are the great victors who are victorious forever; yesterday, today, and tomorrow.

Celebrating our brilliant victory with dignity, we sing about our great party, which is leading our people to an ever-victorious road with great faith and will. On the eve of the announcement of the state of semiwar last March when the world carefully watched Korea, regarding it as part of a great war without gunshots, the dear leader Comrade Kim Chong-il made significant statements to functionaries, recalling the days when our people traveled the single road of victory and glory and looking ahead to a tense situation. Saying that it is our party's firm and invariable determination to advance only along the single road of *chuche* pioneered by the great leader, the dear comrade leader stressed that our party has never yielded its faith and will to the enemies and has advanced, surmounting formidable trials, with this faith and will. He also said that all victories won in the struggle to safeguard, defend, and glorify the masses-centered socialism of our own style are the victories of revolutionary faith and the victories of indomitable will.

The victory of faith, the victory of will! The secret of the victory of the Korean revolution lies in the ever-victorious faith of our party which echoed throughout history. The philosophy of the victory of our party is the philosophy of faith and will. All victories won by our people in the course of safeguarding, defending, and glorifying the masses-centered socialism of our own style are the victories of the great faith and will of our party.

Every time our revolution has faced severe ordeals, our party has led our people to the road of socialism and to the road of the revolutionary principles, repeatedly renewing [words indistinct] oaths, "Cowards, you may go if you wish to run away," and "We will safeguard our red flag." Our people extend boundless warm thanks to our party for this, taking pride in their past achievements and greeting today's victory that gives faith in sure victory in the future.

By having great faith, iron will, and peerless courage, our party resolutely brought the imperialists' combined forces under its control with the supreme commander's order which cannot allow them to touch an inch of land or a blade of grass on our fatherland, even when they threatened and blackmailed us by mobilizing political, economic, and military means. Thus, our party defended the nation's dignity and our country's supreme interest. By publishing the party Central Committee's slogans on the 40th anniversary of the war victory, our party also aroused the entire party, all of the people, and the entire

army as one to a general onward march of socialism of our own style and enabled our people to add luster to the grand festival of today's victory. Our people extend glory to our party for this.

Nothing in the world is stronger than the faith and will of the WPK. As long as we have the great *chuche* idea provided by the respected and beloved leader, the invincible party and people, and the unrivaled People's Army, we have nothing to fear and will win victory without fail. This is our party's faith and will.

It is our party's faith and will that there should not be the slightest concession in adhering to the revolutionary principles and defending the national dignity and honor and that we should by all means triumph in confronting any powerful enemy with death-defying resolve. It is our party's faith and will to lead our people to the bright future under the *chuche* banner displaying the wisdom and bravery of converting misfortune into fortune and adversity into a favorable condition even if the world changes a hundred times and thousands of mountains and erupting volcanoes lie in the way.

Because of this great faith and will of our party, our people grandly commemorate the 40th anniversary of their war victory as a great festival of victors, ever-victorious in the past and at present and with overflowing unparalleled pride and faith. The proud victors develop the great July festival singing the victory of our party's great triumph of faith and will. The old war veterans, as if they had recovered youth and the spirit of yesterday when they marched through gun smoke, rejoice to participate in the historic national veterans' meeting with shining medals in their chests, some saying that they were the soldiers who crossed the Nakdong River, some saying that they were the defenders of the 1,211-Meter Hill, and others saying that they fought at such and such place during the war.

Cherishing in their hearts the truth that the life of devoting themselves to the party, the leader, the country, and the people was the noblest in the lives of our revolution's first and second generations, the third and fourth generations renew their resolve to follow the same road forever, following the party as they did. Nothing can match the joy, ecstasy, pride, faith, and optimism of our people who advance to the bright future with overflowing faith and optimism of sure victory, pushing their way through the long journey of bloody battles in the anti-Japanese armed struggle and the stern fire clouds of war upholding the great leader Comrade Kim Il-song, climbing over the high hills of trial-filled socialist construction, winning the victory which will forever shine in history, and following the leadership of the great party.

Our people will forever win the victory on the single road of loyalty of following the great party. The song of their [words indistinct] and will echoes high in the sky of July where joy and ecstasy of the great victors burst up, like *feu de joie*.

Comrade Kim Chong-il, you drove out the violent storm and gave faith to us! We cannot exist but for you! The fatherland cannot exist but for you! Comrade Kim Chong-il, you assume full responsibility for our future and hope, and you are the nation's destiny! We cannot exist but for you and the fatherland cannot exist but for you! Even though the world changes 10 or 100 times, the people trust you, Comrade Kim Chong-il! We cannot exist but for you! The fatherland cannot exist but for you!

Our people trust Comrade Kim Chong-il! The dear leader Comrade Kim Chong-il is our faith and will, and the banner of permanent victory! No one can stand in the way of our people who take the road of single-minded unity with revolutionary faith and undaunted will following the leadership of the great party, upholding the banner of the great *chuche* idea.

Let us all turn out to more vigorously accelerate a general onward march of socialism of our own style! Let us advance, advance, [repeats] struggle, and advance with overflowing faith in sure victory and revolutionary optimism by upholding the red banner of revolution!

Hurrah for the 40th anniversary of the great victory in the fatherland liberation war! Hurrah for the victory of our party's great faith and for the victory of our party's great will.

Foreign Groups Attend War Anniversary Activities

Leaders Lay Wreaths at Tower

SK2607154793 *Pyongyang KCNA in English* 1507
GMT 26 Jul 93

[Text] Pyongyang, July 26 (KCNA)—Party and government cadres today laid wreaths before the friendship tower in Pyongyang on the occasion of the 40th anniversary of the victory in the Fatherland Liberation War.

The wreaths sent by the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il were placed before the friendship tower.

Honour guardmen of the Korean People's Army were lining up in front of the friendship tower.

Present at the wreath-laying ceremony were Kang Song-san, Pak Song-chol, Choe Kwang, Kim Yong-sun, Hong Song-nam, Chang Chol and officials concerned.

Also present were Chinese Ambassador to Korea Zheng Lee and embassy members.

Amid the playing of the wreath-laying music a wreath was laid in the joint name of the Central Committee of the Workers' Party of Korea, the Central People's Committee and the Administration Council of the DPRK.

Wreaths were laid in the name of the Ministry of People's Armed Forces, the Ministry of Foreign Affairs, the

Central Committee of the Korea-China Friendship Association, Pyongyang municipal party and government bodies, administrative and economic organs and public organisations.

Local party and government bodies, administrative and economic organs, working people's organisations and units of the Korean People's Army laid wreaths at the martyrs' cemeteries of the Chinese People's Volunteers.

Koreans in Japan Write Kim Il-song

SK2707123493 Pyongyang KCNA in English 1012 GMT 27 Jul 93

[Text] Pyongyang, July 27 (KCNA)—The great leader Generalissimo Kim Il-song received a congratulatory message today from the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) on the occasion of the 40th anniversary of the Korean people's victory in the fatherland liberation war.

The message says the victory in the fatherland liberation war was a miracle of the 20th century wrought by the great leader with his *chuche*-based military thought, strategy and tactics, unique war methods and outstanding commandership and a great event in human history which drove the U.S. imperialists to the lot of the sun setting in the western sky and opened a period of a new upsurge in the world people's anti-imperialist national liberation struggle.

It notes that after the war the respected leader has built the most advantageous Korean-style socialism centred on the masses, repulsing all the maneuvers of the enemies at home and abroad, and turned the country into a socialist power of *chuche*, independent, self-supporting and self-reliant in defence.

"Now our country is displaying its pride to the world as the invincible socialist bastion where the whole party, all the people and the entire army are united behind the dear leader Marshal Kim Chong-il with one mind, with the question of succeeding the revolutionary cause of *chuche* solved successfully," the message says, and goes on:

"You the respected leader decisively defended the sovereignty of the country and the nation from the imperialists' attempts to isolate, stifle and destroy the Republic and indicated the way of achieving reunification in the '90s by putting forward '10-point programme of the great unity of the whole nation for the Reunification of the country', a great charter of noble patriotism."

The message says the Chongnyon functionaries and Koreans in Japan, greeting the 40th anniversary of the victory in the war, will firmly establish the ideological and leadership system of *chuche* within the Chongnyon organization and build Chongnyon more reliably into patriotic ranks of *chuche* united behind Marshal Kim Chong-il with one mind as desired by the fatherly leader Generalissimo Kim Il-song.

It stresses that they will make tangible contributions to the accomplishment of the national cause of achieving reunification in the '90s, upholding the 10-point programme of the great unity of the whole nation.

It wholeheartedly wishes Generalissimo Kim Il-song good health and long life.

Koreans in Japan Write Kim Chong-il

SK2707123793 Pyongyang KCNA in English 1019 GMT 27 Jul 93

[Text] Pyongyang, July 27 (KCNA)—The dear leader Marshal Kim Chong-il received a congratulatory message today from the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) on the occasion of the 40th anniversary of the Korean people's victory in the Fatherland Liberation War.

The message says the dear leader with both literary and military accomplishments and loyalty and filial piety has built an immortal pyramid for the country and the nation, for mankind and the times with his matchless, brilliant ideological and theoretical activities, outstanding leadership and boundless love of and trust in the people.

"Under your wise guidance, dear leader, our country now is powerfully demonstrating its might to the whole world as a socialist power, independent, self-sustaining and self-reliant in national defence, which has achieved singlehearted unity of the leader, the party and the masses on a noble height and does not waver in face of whatever moves of the imperialists, and as the invincible bastion of independence and the socialist cause," the message says, and adds:

"The Chongnyon functionaries and Koreans in Japan have got to know with boundless emotion and admiration through the recent exciting events in which you led acute serious political and military confrontation with the U.S. imperialists and reactionaries to brilliant victory even under the grimmest situation, that you, the dear leader Marshal Kim Chong-il, is the greatest of the great men who is possessed of unexcelled wisdom and intelligence, matchless grit and leadership ability and an ever-victorious military genius.

"Chongnyon and Koreans in Japan, upon greeting the 40th anniversary of the victory in the war, will in the future, too, trust only you, the dear leader, with a single heart, uphold and follow you with loyalty and filial piety and advance along the road of *chuche* led by you to the end, however desperately the enemies may maneuver and whatever adversity may face us."

The message says they will make an honorable contribution to the nationwide cause of achieving the reunification in the '90s by carrying into effect the 10-point programme of the great unity of the whole nation, upholding the lofty intention of the dear leader to

accomplish the reunification of the country in the generation of the great leader Generalissimo Kim Il-song.

It sincerely wishes Marshal Kim Chong-il good health and long life.

Kim Il-song Receives ROK Group Message

*SK2707124093 Pyongyang KCNA in English 1024
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—The great leader President Kim Il-song received a congratulatory message today from the Central Committee of the South Korean National Democratic Front (Hanminjon) on the occasion of the 40th anniversary of the Korean people's victory in the fatherland liberation war.

The message notes that the victory in the war on July 27 was a great victory of the respected leader's chuche-based military idea, outstanding commanding art and superb war methods and a great revolutionary auspicious event through which the leader and the people creditably defended the nation's dignity and independent national sovereignty, united as one.

The great leader, it says, rallied the army and the people in one ranks to destroy the enemy and inflicted an ignominious defeat upon the aggression forces more than two million strong with his brilliant military strategy and tested commanding art, thus smashing the myth about the U.S. imperialists' "mightiness".

It stresses that with the victory in the war on July 27, heroic Korea could shine as a beacon of the times, and a new chapter of history was opened in which the U.S. imperialists faced the lot of the sun setting in the western sky and raging waves of anti-imperialist, anti-U.S. struggle for independence swept the earth.

"Now, the northern half of our country is raising loud cheers of victory incessantly under the tested guidance of the dear leader Comrade Kim Chong-il, smashing in every step the U.S. imperialists' moves to isolate, blockade and stifle it," the message says, adding:

"Invincible is the just struggle of our Hanminjon and South Korean people to bring about an independent, peaceful and neutral, unified state along the road of the struggle and victory indicated by the chuche idea, the road of independence, democracy and reunification."

The message sincerely wishes President Kim Il-song good health and long life.

Kim Chong-il Receives ROK Group Message

*SK2707124193 Pyongyang KCNA in English 1031
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—The dear leader Comrade Kim Chong-il on July 27 received a congratulatory message from the Central Committee of the South Korean National Democratic Front (Hanminjon)

[SKNDF] on the occasion of the 40th anniversary of the Korean people's victory in the Fatherland Liberation War.

The July 27 victory in the war was a revolutionary event in which our fellow countrymen brought the day of the second national liberation, repulsing the invasion of foreign imperialist allied forces led by U.S. imperialism under the wise guidance of the great leader President Kim Il-song and a historical event which exploded the myth about the "mightiness" of "great American" imperialism and opened an age of a new upsurge in the anti-imperialist, anti-U.S. struggle, the message says, and continues:

The 40 years until today since the war ceased were decades during which the northern half of the country has excellently built a peculiar socialism centred on the popular masses, smashing at every step the provocative moves of the U.S. imperialists to provoke a new war and struggled for the independent and peaceful reunification of the country.

Comrade Kim Chong-il with literary and military accomplishments and loyalty and filial piety has performed everlasting great feats and exploits on the road of accomplishing the revolutionary cause of chuche, defending it with arms in the period of grim ordeals.

By acclaiming the sagacious leader Comrade Kim Chong-il as chairman of the National Defence Commission and supreme commander of the Revolutionary Armed Forces, the socialist motherland has been consolidated into an impregnable fortress with an iron-wall all-people and nation-wide defence system with the People's Army as its core.

By vigorously striving for the realisation of the 10-point programme of the great unity of the whole nation, Hanminjon and all strata of people will certainly accomplish the great historical cause of building an independent, peaceful and neutral reunified confederal state.

The message sincerely wishes Comrade Kim Chong-il good health and long life.

KPA Chief Meets Foreign Counterparts

*SK2807053793 Pyongyang KCNA in English 0417
GMT 28 Jul 93*

[Text] Pyongyang, July 28 (KCNA)—Choe Kwang, chief of the general staff of the Korean People's Army, Tuesday met and had friendly talks with a Guinean military delegation headed by chief of the general staff Sanoussi Conde, a military delegation of the Federal Republic of Yugoslavia headed by chief of the general staff Zivota Panic, a government military delegation of Madagascar headed by chief of the general staff Ralahy Paol, a military delegation of Malawi headed by Commander of the Army Issac Yohane and a military delegation of Jordan headed by chief of staff of the Army Mahmud Hamad Salim, which are participating in the

celebrations of the 40th anniversary of the victory in the great Fatherland Liberation War.

The heads of the delegations warmly congratulated the Korean people and People's Army soldiers who are significantly celebrating the 40th anniversary of the victory in the great fatherland liberation war.

They said in unison that the military parade held Tuesday displayed once again the invincible might of the Korean people and KPA soldiers firmly united around the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il, supreme commander.

Cambodia's Sihanouk Visits Monument

*SK2807090193 Pyongyang KCNA in English 0447
GMT 28 Jul 93*

[Text] Pyongyang, July 28 (KCNA)—His Royal Highness Samdech Norodom Sihanouk, head of state, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia, on a goodwill visit to Korea visited the monument to the victory in the fatherland liberation war on July 27.

He and his entourage were accompanied by Kim Yong-nam, Politburo member of the Central Committee of the Workers' Party of Korea, vice-premier of the Administration Council and foreign minister.

The guests went round with deep appreciation the sculpture of the main theme "victory" and group sculptures of subsidiary themes which have been built as a heroic monument of the times in scale, composition and descriptive formation thanks to the revolutionary sense of duty and the wise leadership of our party for handing down to the posterity the exploits of the heroic soldiers who dedicated themselves to the revolutionary war for the freedom and independence of the country.

Libyan Secretary Attends Anniversary

*SK2807001893 Pyongyang KCNA in English 1538
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—Secretary for foreign relations of the General People's Congress, Bashir Salih al-Bashir, who is special envoy of the leader of the Great September First Revolution of Libya [Mu'ammarr al-Qadhdhafi], arrived here today by air to participate in celebrations of the 40th anniversary of the Korean people's victory in the great fatherland liberation war.

The special envoy was met at the airport by Yi Chong-chu, minister of general education, and Kim Yong-ho, vice-chairman of the foreign affairs committee of the Supreme People's Assembly.

PLO's 'Arafat Completes Pyongyang Visit, Departs

Kim Il-song Awarded 'Order Star'

*SK2607214593 Pyongyang KCNA in English 1551
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea was awarded "Order Star of Palestine", supreme order of the State of Palestine.

The presentation ceremony took place at the Kumsusan Assembly Hall today.

President Yasir 'Arafat awarded the order to President Kim Il-song.

President Kim Il-song expressed thanks for the presentation.

President Kim Il-song and President Yasir 'Arafat posed for a photograph after the ceremony.

Present at the ceremony were Vice-president Pak Song-chol and Vice-premier of the Administration Council and Foreign Minister Kim Yong-nam who are Politburo members of the Central Committee of the Workers' Party of Korea, and others.

The members of the Palestinian State delegation and suite members were on hand.

Kim Il-song Arranges Luncheon

*SK2607214493 Pyongyang KCNA in English 1555
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, today arranged a luncheon in honour of Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces, on an official visit to Korea to participate in celebrations of the 40th anniversary of the Korean people's victory in the Fatherland Liberation War.

Invited to the luncheon were the members of the delegation and suite accompanying President Yasir 'Arafat.

Present on the occasion were Pak Song-chol, Politburo member of the C.C. [Central Committee], WPK and vice-president of the DPRK; Kim Yong-nam, Politburo member of the C.C., WPK, vice-premier of the Administration Council and Foreign Minister; Kang Hui-won, alternate Politburo member of the C.C., WPK and vice-premier of the Administration Council; and General of the Korean People's Army Yi Pyong-uk.

The luncheon proceeded in a cordial and friendly atmosphere.

'Arafat Lays Wreath at Cemetery

*SK2607230993 Pyongyang KCNA in English 1558
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces, now on an official visit to Korea, and his delegation and suite members laid a wreath at the revolutionary martyrs cemetery in Mt. Taesong today.

An honour guard of the Korean People's Army was lined up in front of the cemetery.

The guests observed a moment's silence in memory of the anti-Japanese revolutionary martyrs who laid down their precious lives in the sacred cause for the liberation of the country and for the freedom and happiness of the people.

They visited the three revolutions exhibition.

They went round exhibition halls showing the successes achieved by the Korean people in their efforts to implement the line of the three revolutions, ideological, technical and cultural, under the guidance of the party and the leader.

Kim Il-song Receives 'Arafat, Sihanouk

*SK2707153393 Pyongyang KCNA in English 1522
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, with party and state leading officials, received today heads of state and government, party leaders, heads of delegations and delegates of different countries who have come to participate in celebrations of the 40th anniversary of the victory of the Korean people in the great fatherland liberation war.

Present there were His Royal Highness Samdech Norodom Sihanouk, head of state of Cambodia, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia, Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces, heads of government, party leaders, special envoys of heads of state, heads of delegations and delegates of different countries.

Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, was present on the occasion.

Also present were O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces; Kang Song-san, Politburo member of the C.C., the WPK and premier of the Administration Council; Pak Song-chol, Politburo member of the C.C., the WPK and vice-president; Kim Yong-nam, Politburo member of the C.C., the WPK, vice-premier of the Administration Council and foreign minister; and Choe Tae-pok and Kim Yong-sun, Alternate Politburo members and secretaries of the C.C., the WPK.

The guests warmly congratulated President Kim Il-song on the anniversary and wished him good health and long life.

President Kim Il-song expressed thanks for this and had a cordial and friendly talk with them.

He had a souvenir picture taken with the guests.

'Arafat Presents Award for Kim Chong-il

*SK2707154393 Pyongyang KCNA in English 1536
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—Comrade Kim Chong-il, chairman of the National Defense Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, was awarded "Order Sacred Kuds Star" of the State of Palestine today.

The order was conveyed to Pak Song-chol, Politburo member of the C.C. [Central Committee], the Workers' Party of Korea and vice-president, by Yasir 'Arafat, president of the State of Palestine, chairman of the PLO executive committee and commander-in-chief of the Palestinian Revolutionary Armed Forces, on an official visit to Korea.

President Yasir 'Arafat decided to award it to Comrade Kim Chong-il in high estimation of his continued and principled support to the Palestinian people's just struggle for peace and national independence.

'Arafat-Led Group Leaves Pyongyang

*SK2807090093 Pyongyang KCNA in English 0449
GMT 28 Jul 93*

[Text] Pyongyang, July 28 (KCNA)—The delegation of the State of Palestine led by Yasir 'Arafat, president of the State of Palestine, chairman of the executive committee of the Palestine liberation organisation and commander-in-chief of the Palestine Revolutionary Armed Forces, left here today after its official visit to Korea to participate in the celebrations of the 40th anniversary of the victory in the great fatherland liberation war.

The guests were seen off by Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea [WPK] and vice-president, Kim Yong-nam, Politburo member of the C.C. [Central Committee], the

WPK and vice-premier of the Administration Council and foreign minister, and officials concerned.

Papers Welcome 'Arafat Visit

SK2507101193 Pyongyang KCNA in English 0826 GMT 25 Jul 93

[Text] Pyongyang, July 25 (KCNA)—Papers here today warmly welcome the delegation of the State of Palestine led by Comrade Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organisation and commander-in-chief of the Palestine revolutionary armed forces, due here today on the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to attend the celebrations of the 40th anniversary of the Korean people's victory in the Fatherland Liberation War.

NODONG SINMUN says in an editorial that the Korea visit of Comrade Yasir 'Arafat will mark another important occasion in bringing Korea-Palestine friendship to a new higher stage. It means encouragement to the Korean people fighting to consolidate the Korean-style socialist system centred on the masses and promote the independent and peaceful reunification of the country.

The editorial continues:

The Palestinian people under the leadership of Comrade Yasir 'Arafat are vigorously waging the struggle to restore the dignity of the nation and the sovereignty of the country. A fair and peaceful settlement of the Middle East problem is what the Palestinian people have consistently desired.

To this end, Israel must withdraw from Palestine and other occupied lands, and the legitimate national rights of the Palestinian people including the right to return home, the right to self-determination and the right to found an independent state must be restored.

The Korean people have always firmly stood on the side of the Palestinian people and will actively support their just struggle as ever.

MINJU CHOSON stresses that the Korean people will actively work as ever to strengthen friendship and solidarity with the Palestinian people.

Reportage on War Veterans Conference Continues

Choe Kwang Speaks at Meeting

SK2307081393 Pyongyang Korean Central Broadcasting Network in Korean 0607 GMT 23 Jul 93

["Report" by Vice Marshal Choe Kwang, member of the Political Bureau of the Workers Party of Korea (WPK) Central Committee and Chief of the General Staff of the Korean People's Army (KPA) at the opening ceremony

of the National Conference of War Veterans held in Pyongyang on the morning of 23 July—recorded]

[Text] [applause] Comrades, today all the people and soldiers across the country, following the party's appeal, are effecting a new revolutionary upsurge in socialist construction by smashing various challenges and aggressive maneuvers of the imperialists with the might of single-hearted unity by cherishing the lofty political zeal and militant spirit. We are to commemorate the 40th anniversary of victory of the great Fatherland Liberation War as a revolutionary happy event, overflowing with the lofty pride of victors. It is at this historic time that we are holding the National Conference of War Veterans.

The Fatherland Liberation War, together with the glorious anti-Japanese revolutionary war, was a great revolutionary war which marks the most brilliant chapter in the history of our people's revolutionary struggle for independence, sovereignty and socialism.

During the Fatherland Liberation War, our people and People's Army heroically struggled by displaying the indomitable spirit of struggle and a sense of matchless sacrifice in firm unity with the party and the leader. Thus, we smashed the imperialists' armed invasion and honorably defended the independence of the fatherland and sovereignty of the state. We demonstrated our people's revolutionary spirit to the entire world. [applause]

At a significant time when we mark the 40th anniversary of victory of the great Fatherland Liberation War, our old revolutionary war veterans, who registered brilliant feats in the sacred struggle for national liberation and for the people's freedom and happiness, gathered here and are holding the National Conference of War Veterans. This is indeed a significant event. [applause]

The WPK Central Committee, sending a congratulatory message to the meeting, highly assessed the achievements and feats that the war veterans made in strengthening and developing our party and revolutionary armed forces and in accomplishing the chuche revolutionary cause. The WPK Central Committee expressed the firm belief that the war veterans will continuously and excellently fulfill their important missions in the struggle to tenaciously defend and protect the party and the leader and to accomplish the chuche revolutionary cause.

The congratulatory message of the party Central Committee is the expression of the great trust and expectations of our party for the revolutionary fighters of the old generation who are advancing at the vanguard of our revolutionary ranks as unchangeable loyalists. This message is a militant banner which inspires the war veterans who shared their destiny with the party by overcoming violent storms of the revolution, onto new struggle and feats. [applause]

Through the national conference of war veterans, we will again demonstrate the war veterans' firm faith and will to tenaciously defend, protect, and accomplish the

chuche revolutionary cause. We will more highly display the indomitable might of our people who are fighting in firm unity with the party and the leader. [applause]

Comrades, our revolutionary cause, which was pioneered under the banner of the chuche idea, broke through its road amid the fierce struggle against the imperialists and class enemies from the outset. This cause has been firmly defended and ensured by arms, and made a constant advance forward.

In the arduous course of the Korean revolution, our war veterans advanced forward by crushing the strong armed enemy with arms and by bringing them under our control. Always standing on the frontline of struggle, our war veterans played the vernal role.

The war veterans heroically fought in the sacred anti-Japanese struggle for national liberation and in the fatherland liberation war against the U.S. imperialists' armed invasion. Our party highly praised them as a paragon of the revolutionaries endlessly loyal to the party and the leader. Our party treasures the immortal achievements they made before the time and history.

The great leader Comrade Kim Il-song has taught: The party treasures such revolutionary core members as you comrades. Because there are such revolutionary core members like you comrades, our party is powerful, the future of the revolution is bright, and our conviction in victory of the revolution is firm.

Our war veterans waged bloody struggle at the van of the fight for the anti-imperialist cause for independence during the most arduous period of the revolution. Today they are playing the kernel role in the struggle to accomplish the chuche revolutionary cause. Because there are such war veterans, our party is mighty and our republic is strong. It is our great honor and pride to have many such war veterans. [applause]

By participating in the fierce and bloody anti-imperialist revolutionary war to save our people's destiny, the war veterans achieved national independence and defended the nation's sovereignty and gains of the revolution. They are indeed our nation's proud heroes and tenacious fighters for national defense.

Our people's arduous revolutionary struggle for national liberation and for building of a new society was attended by serious military confrontation with the two imperialists who were most atrocious and powerful in modern ages.

The anti-Japanese and anti-U.S. wars that our people waged from the 1930's to the 1950's were "do-or-die" wars deciding whether we become the magnificent master of our destiny or become the permanent slaves of the imperialists. These wars were also an arduous war deciding the destiny of the nation. Those who fought in flames of these wars by shedding blood and with the weapons of revolution in hands are our very war veterans.

The anti-Japanese revolutionary struggle was a most glorious revolutionary struggle in which our people fought against the enormous imperialists under the banner of the chuche idea for the first time in history and won victory. Amid the fierce flames of the anti-Japanese war, the first generation of our war veterans was fostered.

The anti-Japanese revolutionary fighters overcame various difficulties and trials beyond mankind's imagination for national liberation with arms in hands under the leadership of the respected leader Comrade Kim Il-song. They heroically fought against the Japanese aggressors, who were incomparably superior in terms of number and of military technology, for 15 years. They finally achieved the historic cause of national liberation by smashing the imperialist aggressors.

It was a historic miracle for the people of a colonial country to achieve the cause of their national liberation for the first time in history by waging a protracted armed struggle with its own strength. [applause]

The three-year-long Fatherland Liberation War against the U.S. imperialists' armed invasion was the second liberation war to rescue our people from the holocaust of colonial enslavement. A brilliant victory was achieved in the war, and national independence and national sovereignty were defended. This was precisely another great achievement that our war veterans produced for the times and history. [applause]

In the grim period of the war, when the whole country was turned into a sea of flames, officers and men of our People's Army rose up in the sacred war of annihilating the enemies under the outstanding political and military leadership of the great leader Comrade Kim Il-song, the legendary hero and the iron-willed ever-victorious commander, and unstintedly displayed their matchless devotion and mass heroism.

On the road of their southward advance to defeat the enemies, on the arduous days of temporary strategical retreat, and on the days of fierce and brutal fight of waging position defense battles, brave officers and men of the People's Army heroically fought with firm faith in certain victory and revolutionary optimism, and they registered brilliant exploits in every battle.

In the Fatherland Liberation War, our people defeated the combined imperialist forces and won historic victory, and clearly demonstrated the fact that the people are invincible and they are the masters of their destiny. They struggled bravely under the leadership of the great leader. [applause]

The anti-Japanese war veterans who registered immortal exploits in regaining the divested country, fighting their way through the flames of the fierce class struggle and evolutionary war, and the war veterans of the Fatherland Liberation War who defended the fatherland from the U.S. imperialists' armed invasion and, thus, made great contributions to demonstrating to the world our people's

heroic mettle are not only the heroes our people are proud of, but are also the precious assets of our revolution. [applause]

The war veterans are the elders [wollo] and vanguard fighters of our revolution who made particular contributions to providing the cornerstone for the ages which guarantees the victory of the chuche revolutionary cause even under the most grim conditions unprecedented in history.

Providing effective and rich revolutionary traditions and founding a firm state sovereignty and powerful regular armed forces is a basic condition for the future development of the revolution. It is also the cornerstone for the ages which ensures the eternal vitality of the revolution.

In our country, the great leader Comrade Kim Il-song carried out this important and grand cause during the historic period from the start of the revolution to the early days of building a new society. And, at the call of the respected and beloved leader, the veterans, who are first-generation revolutionaries and Korea's genuine communists, devotedly carried out this honorable task.

Learning from the young communists who highly displayed loyalty toward the leader [suryong] at a period when the Korean revolution started, the veterans of the anti-Japanese war ideologically, volitionally, and morally united themselves around the great leader Comrade Kim Il-song during every day of the great anti-Japanese war and loyally upheld the leader's [suryong] ideas and leadership.

In this course, the tradition of unity and cohesion around the leader based on one idea—the chuche idea—and the tradition of single-minded unity put down deep roots in the revolutionary ranks. And this has become an important part of our party's honorable revolutionary tradition and a powerful driving force for the revolution's victorious march.

Because there was the tradition of single-minded unity around the leader [suryong]—which was established in the flames of the anti-Japanese war—and the tradition of invincible unity and cohesion—based on the clearest revolutionary conscience and moral obligation amid the most arduous difficulties, our people, after the liberation, could successfully carry out complicated and difficult tasks for building a fundamental foundation for a new society, including the entire-party, all-people, and entire-Army tasks, by strongly uniting themselves around the great leader Comrade Kim Il-song.

They could successfully carry out the three entire-party, all-people, and entire-Army tasks in a timely manner under the difficult circumstances in which the territory was divided and in which the confrontation between the democratic forces and the antirevolutionary and reactionary forces was very acute. This was possible because the great leader Comrade Kim Il-song, who had absolute support from all the people and unanimous respect from all his fellow countrymen, stood at the vanguard of the

revolution and because the veterans of the anti-Japanese war (?assisted) the leader [suryong] single-mindedly and wholeheartedly close at hand and waged a devoted struggle.

In hearty response to the party's organizational policies and political policies which the great leader Comrade Kim Il-song presented, the veterans united the communists—who were separately carrying out activities in various regions—and the patriotic democratic forces from all walks of life in the united front and responsibly carried out the complicated and difficult task of building regular armed forces.

As a result of our veterans' devoted struggle under the great leader Comrade Kim Il-song's leadership, the cause of building a chuche-type revolutionary party, a cause that started from the Down-With-Imperialism Union, was brilliantly completed, and the important task of building a genuine popular regime and powerful revolutionary armed forces, the first in our nation's long history, was carried out.

At a time when our revolution was establishing historic roots and when a basis for a new society was being built, the veterans brought about achievements in consolidating an everlasting basis for carrying out the chuche revolutionary cause after overcoming difficulties. These achievements will go down in our party's history in immortal letters and will eternally remain brilliant. [applause]

War veterans are the torches of our party and revolution and indomitable revolutionary fighters who are firmly safeguarding and adhering to the party's cause, the socialist cause, and who are sincerely upholding it without the slightest faltering in any harsh or complicated situation or manifold trials.

There were a great number of difficulties and trials on the road ahead of our party's socialist revolution and socialist construction cause started from the ruins in which everything was destroyed by war. It was a harsh course in which we had to restore our fatherland from nothing as well as a rugged path in which we had to newly pioneer the unfamiliar road on which no one had ever embarked.

Because of challenges by anti-party and anti-revolution factionalists [chongpabunja], pressure imposed by the imperialists, and "March North" commotion by the U.S. imperialists and the South Korean puppet cliques, the situations became more aggravated and obstacles [nangwan] became more serious. Under these circumstances, our soldiers firmly defended our party and resolutely safeguarded and implemented our party's idea and lines by bravely raising a banner. They were just our war veterans.

It is our war veterans who resolutely safeguarded and defended our party Central Committee by unsparingly giving a heavy blow of counterattack to anti-party and anti-revolution factionalists when they banded together

to slander [holttuda] our party even at the rostrum. It is also our war veterans who have endlessly adhered to our party's idea and lines and who have taken the lead in their implementation by composing and singing a song for Marshal Kim Il-song with their single-hearted loyalty without the slightest faltering even under the complicated situation in which meddlers from outside talked in favor of plotters [ummoja].

War veterans have thoroughly executed the socialist cooperative policy presented by our party by leading our party members and masses. According to the combat call of the party, they have smashed [chipusida] conservatives and passivism [sogusong] and have kindled the flame of the Chollima movement in all sectors of the national economy, including the steel front and machine front, by highly displaying the revolutionary spirit of self-reliance and fortitude.

Even under the harsh situation in which revisionists became furious internationally and in which (?conservatives) attempted to bring mad wind into our country, war veterans have faithfully implemented our party's socialist industrialization line and economic and defense construction lines. As a result, they have greatly contributed to establishing the independent, self-reliant, and self-defense socialist power with a powerful independent national economic and self-reliant defensive capacity.

War veterans are the standard-bearers of our revolution and genuine loyalists who have excellently fulfilled lofty missions assigned by time and history and ensured the continuity of our revolutionary cause.

Today the issue of the continuity of the revolutionary cause, which became the difficult problem of the century in the accomplishment of the socialist cause, has been brilliantly resolved in our country. Herein lies the outstanding meritorious deed [tukchulhan kongno] of our war veterans who have a particularly keen sense of mission concerning the future of our revolution and the destiny of our nation.

Our war veterans dedicated their whole lives to the revolutionary cause pioneered by the great leader. For them, it was a lifelong mission to uphold the distinguished leader [kolchulhan yongdoja] who will inherit and accomplish the chuche cause generation after generation. They undertook an important mission in the history of our people and for future generations.

The arduous tasks of inheriting the revolutionary cause pioneered by the leader—the party's cause—generation after generation can be carried out only by the people's genuine leader [chidoja], who is endlessly loyal to the leader's [suryong] ideas and cause and who has uncommon wisdom, leadership and dignity. War veterans are aware of this more keenly than anyone else through their experience in life and struggle. War veterans firmly believe deep in their hearts that dear Comrade Kim Chong-il is the distinguished leader who has

natural disposition and moral influence with which he can lead the chuche cause to final accomplishment. [applause]

With uncommon ideological and theoretical activities and through extremely profound and diversified revolutionary works from the early days, dear Comrade Kim Chong-il provided a new era of historic turning point in our party building and in the development of our revolution. It is unanimous will and burning aspiration of all of our people and war veterans to accomplish the chuche revolutionary cause to the end by following the leadership of dear Comrade Kim Chong-il. [applause]

Our war veterans took the important work, which represented the people's will, the demand of the revolution and aspirations of the time, as their own mission which cannot be shifted onto any others and as a task of national history which should not be delayed. By cherishing great deep emotion and the sense of responsibility, the war veterans stood at the vanguard of the glorious work to uphold dear Comrade Kim Chong-il at the supreme position [suwi] of our party and revolution by reflecting unanimous will of the whole party and all the people. [applause]

This is a great event with endlessly precious significance for the nation and for the people which was achieved on the basis of the sense of obligation of the revolutionaries that our war veterans came to be aware throughout their lifetime. Our war veterans were firmly convinced in the bright future of Korea by looking up the Paektu lodestar from the days of anti-Japanese revolutionary struggle. This is the most brilliant achievement they made before the party and the revolution. [applause]

Truly, veterans who have traversed the arduous but glorious road of the revolution under the leadership of the great leader and the great party have brilliantly carried out the mission and duty as vanguard fighters and the core of our party and the revolutionary armed forces. They waged a bloody struggle for the independence of the country, national prosperity, and the victory of the socialist cause and brought forth our people's happiness today. This achievement of the revolutionary veterans will remain immortal along with the history of the country. [applause]

Engraved in the shining achievements of our people in carrying out the chuche revolutionary cause under the leadership of the party and the leader are the high ideological and spiritual traits and immortal exploits demonstrated by the veterans. The basis of the ideological and spiritual features displayed by the veterans with the victorious advance of the Korean revolution was the endless loyalty to the party and the leader.

Our veterans, who had to undergo the heart-breaking history of suffering without the outstanding leader in the past, have become a highly dignified independent people enjoying true lives as they uphold the great leader for the first time in our nation's thousands of years of history. Through their life experience, the veterans learned deep

in their hearts that the respected and beloved leader Comrade Kim Il-song is the destiny of the revolution and the destiny of the country. Therefore, they absolutely trusted the leader and entrusted all their fate to the leader, and have remained loyal to the leader wholeheartedly without perturbation or change of mind from the time when no one was sure when the revolution would triumph to the present.

Consistent in all the thoughts and actions of the veterans was the faith of loyalty that there can be no revolution or country without the leader. Therefore, the veterans of the anti-Japanese armed struggle lured and mopped up with a death-defying resolve the huge army of enemy troops that came to attack the headquarters and defended the security of the headquarters. They made themselves a shield against the enemy bullets that showered down like hail and firmly defended the commander's security. [applause]

Also in the days of the fierce Fatherland Liberation War, security guards made themselves the two-fold and three-fold shields and fortress to protect, at the cost of their lives, the comrade supreme commander who was visiting the front. They lured the charging [tallyodunun] enemy toward them with burning torch lights at the supreme command post, thus safeguarding the security of the great leader. This was the manifestation of their loyalty.

The absolute loyalty of the veterans toward the leader was highly displayed in their unconditional and thorough implementation of the great leader Comrade Kim Il-song's *chuche*-oriented revolutionary line, strategic and tactical policy, orders, and instructions. For the veterans, their faith was that they could not live even one moment apart from the leader's ideology, the party's line, and the orders and instructions of the party and leader which were the supreme demands of the revolution.

Because of this kind of thorough position and attitude, when the old anti-Japanese fighters changed their minds they were able to free themselves from ruthless hardships. Nevertheless, they ate roots of grass and [word indistinct] as their meals and ran shedding blood to find the headquarters. Thus, at the headquarters they reported on the duties that they had fulfilled. Also, the veterans of the fatherland liberation war upheld the comrade supreme commander's order on not giving away even an inch of land to the enemies, and manifested the dauntlessness of an invulnerable body by shouting hurrah for General Kim Il-song. Thus, they had fulfilled the great leader's operational plans without fail.

Our veterans have iron faith and will of wholly entrusting their fate to the party and the leader, and of eternally sharing their fate with the leader. They always think and act only in conformity with the leader's ideology and the party's will. They are also possessed with the indomitable revolutionary spirit of manifesting the peerless spirit of devotion and sacrifice with the high consciousness that they do not even have the right to die

unless they implement the order and instructions of the party and the leader. Here lies the high loyalty of our veterans. [applause]

What is important in the ideological and spiritual traits which our veterans possess is the fact that loyalty toward the party and the leader is united as one with enthusiastic love and endless devotional service spirit toward the fatherland and people, and thus this is highly manifested.

Under the outstretched hands of the respected and beloved Comrade Kim Il-song, a peerless patriot and a great people-oriented leader [widaehan inminjok suryong], the veterans were indoctrinated with the noble ideology of patriotism. They also experienced the truth that only the people who truly love their fatherland, their nation, and their people can become true communists, and showed it through practical struggle.

The anti-Japanese revolutionary fighters are possessed with true people-oriented patriotism which embodies the *chuche* idea. Therefore, even though they were sleeping and eating in the thick forests of Mt. Paektu for a long period of time, they firmly pledged that they would achieve the fatherland's independence and establish a people's country without exploitation and oppression on a liberated fatherland. They experienced all kinds of difficulties and on the scaffold loudly shouted hurrah for the fatherland's independence and revolutionary victory, and unhesitatingly sacrificed their lives.

For the first time after liberation, embraced in the bosom of their fatherland, our veterans became the masters of plants and masters of their land, and experienced a beautiful life and true happiness. They truly regarded the fatherland as more precious than their lives and deeply cherished in their minds that repaying the benevolence of the great leader, who liberated the fatherland, by sacrificing their lives is a just obligation. They also struggled devotedly opposing the aggressors.

In the hearts of the veterans, they were warmly pulsating with the fact that the fatherland is the leader and that the leader has the firm faith that all our happiness and brilliant future lies in the fatherland. Therefore, under the desperate determination to defend even an inch of the fatherland by sacrificing their lives, they became human bombs and smashed [kkabusuda] the enemies' tanks and combat vessels. They also sacrificed their only lives for the only fatherland, stopped the enemies' blazing gun muzzle with their hearts, and defended every inch of the fatherland with their blood. [applause]

Infinite loyalty to the party and the leader and boundless devotion to the fatherland and the people became the ideological and mental basis which produced indomitable revolutionary spirit and matchless heroic mettle among our war veterans. We can find the secret of our people's victory in the two revolutionary wars—which were incomparably unfavorable in terms of capability and struggle (?conditions)—in the lofty spirit of sacrifice

of our revolutionary people and revolutionary soldiers, who rose up in the just cause, and their mass heroism.

The revolutionary mettle, heroism, and revolutionary spirit of Paektu of the anti-Japanese revolutionary fighters who defeated the one million regular Japanese imperialist army troops through guerrilla struggle without support by regular Army troops produced the heroic struggle spirit displayed in the crossing operations of burning Naktong River, and this heroic spirit of struggle became the mental driving force in achieving a new military miracle.

The peerless spirit of sacrifice and heroic spirit displayed by those defenders of Wolmi Island, who fought for three days with only four pieces of gun against the large-scale enemy forces of 50,000 strong armed with more than 1,000 airplanes and 300 naval ships, as well as the boldness and bravery displayed by members of the torpedo unit who performed the exploits of sinking a heavy cruiser deep into the sea only with four torpedoes in the fight with the enemy's fleet organized with heavy and light cruisers and destroyer, were heroic exploits and a military miracle unprecedented in the history of war. [applause]

Our war veterans, because they had indomitable fighting spirit and peerless mass heroism, were able to deal serious blows to frantically rash enemies several scores a day and defend the 1211 hill with their blood. They were also able to perform the brilliant exploits of reoccupying for 15 minutes the 351 hill which the enemies called animpregnable fortress. [applause]

The mass heroism that our people highly displayed in the Fatherland Liberation War was displayed nationwide at all battle posts in the rearguard and frontline.

The war veterans in charge of social security patrolled burning cities and rural villages day and night to defend the people's safety and defended wartime production with arms. They also removed time bombs and (?unexploded) bombs and protected the people's and lives and property by rushing into burning factories and homes.

Public security functionaries, who won confidence from our party and the state, suppressed the activities of the enemy's armed espionage agents on a timely manner and completely mopped up the rascals's organizations. Thus, they firmly defended the political security of the party and the state. They also performed the amazing exploits of infiltrating the rascals to destroy their espionage activities.

The brave locomotive operators who ensured the war-time freight by pushing their way through the line of death, showered by gunfire like hail; the guerrillas who annihilated and mopped up the aggressors with arms in hand in enemy occupied areas; the working class which assisted the front by producing weapons and ammunition with manually-operated machines; and the female farmers who, with hoes and shovels in hand, launched

themselves in the campaign in the place of their husbands to increase war-time food production while the enemy's bombing and shelling continued—all of them were combatants and creators of exploits in the stern period that determined the destiny of the country. The noble patriotism and heroism displayed by our veterans will remain forever in our people's hearts despite the passage of time and the change of rivers and mountains. It will inspire coming generations into heroic exploits, generation after generation. [applause]

One of the noble and special ideological and spiritual traits the Korean veterans have is the clear revolutionary outlook and high revolutionary character. They maintain the invariable spirit of soldiers with guns in hand throughout their lives and carry out the revolution following the party and the leader. The veterans who have upheld with arms the party's cause, the chuche socialist cause, on the arduous road of the revolution today continue living and struggling with the mind of the soldier holding a gun in his hand, even though their appearance has lost the features of their youthful days with the passage of time.

Not only veterans who stand in the armed ranks but also veterans who changed their guardposts and took off their military uniforms look back with deep emotion to the days when they led the most valuable and rewarding lives as soldiers. They are living and struggling as if they were in war-time days. This is the common life ethics of our veterans today.

Our veterans formed veterans work teams and veterans rear subwork teams and are waging a devoted struggle in coal mines, mines, plants, and farms to realize our party's ideas. Visiting the People's Army units, they encourage the soldiers into militant exploits, thus actively contributing to making the entire country bubble with high revolutionary enthusiasm. Because our veterans have the clear and firm outlook on the revolution and outlook on life with a resolve to live brilliant lives sharing the destiny with the party and the leader following them forever on the road of the revolution, the Korean veterans were able to give birth to Comrade Yi In-mo, the incarnation of faith and will, without parallel in any country of the world. The heroic life of Comrade Yi In-mo, who triumphed after all winning the battle of confrontation of faith with the enemies, is a vivid example of the noble and strong revolutionary traits the Korean communists have. [applause]

As the tall and exuberant pine tree which has grown firm, overcoming the fierce wind and damage caused by the snow and wind, and stands firm in any harsh weather, so our veterans' faith of loyalty and revolutionary spirit represent the noblest and most solid ideological, spiritual, and moral traits is not shaken in any situational change and it does not change with any trend of the times.

Because there are the veterans who were hardened to the cold, snow, and wind in the Mt. Paektu and who were

reinforced in the fierce battlefields along the Nakdong River and because there are a new generation of revolutionaries who are inheriting their spirit, our revolution is marching forward along the chuche-oriented road without shaking despite worldwide (?upheavals), and our socialist cause will be ever-victorious and invincible. [applause]

Our veterans could bring about the immortal achievements and brilliant feats—decorated in the honorable annals of the Korean revolution—because of the outstanding and tested leadership and boundless warm love of the great leader Comrade Kim Il-song and Comrade Kim Chong-il, our supreme commander.

The greatness of the leader [suryong] and the sagaciousness of the leader [yongdoja] are the source of the people's heroism. They also help the revolutionary people create heroic annals that push history forward and build a new era.

Today, our people who had suffered from the feudal oppression and the foreign imperialists' aggression for a long time have now turned from the victims of their own miserable destiny to heroes of the revolution and construction and loyal and powerful veterans. This was possible because the ideological might of the outstanding [kolchulhan] revolutionary leader [suryong] and the outstanding [pibomhan] leader [yongdoja] of the party has led them. [applause]

The great leader Comrade Kim Il-song had the young Korean people, who had been suffering from the Japanese imperialists' harsh rule, shoulder revolutionary guns; raised them into resolute communist revolutionaries in the flames of the great anti-Japanese war; and, after the liberation, powerfully led the first and second generations of revolutionaries to wage the grand struggle to build a new society and raised them into our revolutionary Armed Forces' core members and our party's leading members.

The great leader Comrade Kim Il-song always trusted the veterans as intimate comrades and revolutionary comrades. And, whenever a new and important task was given to the party and the revolution and whenever difficulties and trials were ahead, he led the veterans to serve as flag bearers who achieve breakthroughs. He also mobilized all the people by using the veterans as core members and led the veterans to win brilliant victories in the fierce anti-imperialist revolutionary war, the two difficult stages of social revolution, and the arduous and complicated struggle for socialist construction.

The great leader who regards old fighters of the anti-Japanese struggle and the war veterans of the fatherland liberation war as the precious assets for the victory of our revolution said that revolutionaries should bring the revolution into full bloom. He also actively encouraged war veterans not only to continuously adhere to the heroic struggle spirit and mettle displayed when they fought for national dignity and national independence, but also to invariably play a leading role in their work of

strengthening and developing our party and the revolutionary Armed Forces and in socialist construction.

The season of nature has spring, summer, autumn, and winter. However, there are no different seasons in which flowers bloom and flowers fall in the whole life of a revolutionary. Although their hair becomes grey, the red flower of the revolution is to vividly bloom in their hearts. This is precisely a brilliant appearance of old revolutionary fighters of our party. [applause]

Thanks to the wise leadership and great benevolence of our supreme commander Comrade Kim Chong-il, our war veterans who have traversed a long way, following the great leader and adding luster to their young days, are today still vigorously traversing a new long way along with the party and are invariably bringing their revolutionary life into full bloom. [applause]

Our supreme commander's energetic guidance to and lofty comradely love and confidence toward the first and second generations of the revolution have become not only the nutritive element which enables the old fighters of the anti-Japanese struggle and the war veterans of the fatherland liberation war to revive their youth and to be full of the zeal of loyalty, but have also become the eternal lifeline which makes it possible for them to continuously bring the flower of the revolution into full bloom. [applause]

Our supreme commander Comrade Kim Chong-il has bestowed deep confidence upon the old fighters and the war veterans of the fatherland liberation war who have traversed the road of the Korean revolution, upholding the great leader, so that they can play leading roles in the work of further strengthening the revolutionary armed forces of chuche. He has also actively led the discharged soldiers who work at various fields of the national economy to play the role as the spearheads in the battle sites of socialist construction so that they can further glorify tomorrow's assignments as today's creative feat.

Our supreme commander Comrade Kim Chong-il, who had identified our war veterans who bravely fought in the sacred war to rescue the nation's destiny as model revolutionaries of our times and as an eternal pride of our posterity, has built the Taesongsan cemetery of fallen revolutionary fighters on the scenery (Chujakpong) hill and, thus, embraced the lifetime appearance of fallen revolutionary fighters in the red [word indistinct]. He has also outstandingly erected the Tower of Victory of the fatherland liberation war on the foot of Potonggang River to celebrate the anniversary of the victory in the fatherland liberation war so that the feats of old war veterans can shine brilliantly along with the history of the fatherland liberation war. [applause]

Throughout history there have been many wars, big and small, in which countries have defended themselves. Consequently, there are a great number of war veterans in the world, but their positions in society are very different.

At a time when the memorial tower marking the victory of the fatherland liberation war is being built skyward in our country as a grand monumental creation; when the monumental towers in heroic cities in which the Hitler fascist army units were repulsed are being miserably destroyed; and when the war veterans of our country are enjoying their happy life by boasting of their meritorious orders in their great Army uniforms, the war veterans in the countries in which socialism was not kept have sold even their meritorious medals and general's uniforms because of their unemployment and poverty. Also, they are leaving their fatherland—which they defended at risk of their lives—or even enacting a tragedy of committing suicide on the old battlefields in which the heroic feats were preserved at a time when our country's war veterans hold a national meeting of war veterans amid many people's blessings and when they proudly recall the combat course which has been glorified with victory and glory.

All of these facts show the truth that neither fatherland nor socialism nor war veterans' glory and happiness can be existed without the leadership of the great leader [widaehan suryong] and the great party. Also, they are firmly proving the justification and vitality of the benevolent politics of our party which are positively taking care of the revolutionary war veterans. [applause]

Along with the history in which our revolution is being vigorously carried out, anti-Japanese revolutionary fighters and war veterans of the fatherland liberation war are being highly and constantly respected as heroes of the nation as well as the distinguished ministers of the party and the state. Also, they are enjoying their whole life happily as revolutionaries. This is totally a brilliant result of the outstanding leadership and sacred communist humanity of the great leader Comrade Kim Il-song and our supreme commander Comrade Kim Chong-il. [applause]

Availing myself of this significant opportunity today, I am, with a unanimous loyalty of all participants in the meeting and war veterans throughout country, extending the greatest honor and the warmest thanks to Comrade Kim Il-song, the great leader of our party and people, and Comrade Kim Chong-il, our supreme commander, who are fostering war veterans as the core of our party and the revolutionary Armed Forces and as the vanguard fighters of our revolution; who have led them to the single road of victory and feats; who have always led them to stand in front of the glorious ranks with a great comradely love and sacred revolutionary obligations; and who are extending a boundless affection to them. [applause]

Comrades: Our revolutionary cause which was pioneered and upheld with armed forces by our veterans in accordance with the leadership of the party and the leader has not ended yet and its future road is far and difficult as ever.

Today, our revolution is faced with an important historical situation, and our people and veterans are faced with the heavy and honorable revolutionary task. The veterans should highly uphold the revolutionary banner of the chuche idea; resolutely smash [chitbusida] the antirevolutionary offensive by the imperialists and reactionaries into a revolutionary offensive; and resolutely safeguard and adhere to the chuche revolutionary cause which was pioneered in the thick forests of Mt. Paektu and complete it to the end. By doing so, they should fulfill their noble mission and duty.

The dear leader Comrade Kim Chong-il has pointed out: Our party is strong because it has war veterans like you comrades. As in the past, they should become the party's firm standard bearers in fulfilling the revolutionary cause.

This talk by our comrade supreme commander to the war veterans is an expression of deep trust to always put forth the veterans as the core of our party and the revolutionary force and vanguard fighter of our revolution. It is also filled with his great expectation in the hope that the veterans will continue to uphold the party's leadership with loyalty and fight to the end for the completion of the chuche revolutionary cause.

Veterans should deeply bear in mind our party's high trust and expectation; resolutely safeguard the party and the leader with the attitude of a soldier holding a gun which was always the case in the whole course of our revolution which started from the anti-Japanese day extending to the arduous days of war up until the present day; and be a firm standard bearer of the party in fulfilling the chuche revolutionary cause.

Veterans should firmly bear in mind the conviction of sure victory in our revolutionary cause and uphold the leadership of the party and the leader with loyalty.

The socialist cause is carried out in the fierce confrontation with the imperialists. This is indeed confrontation of power and confrontation of faith with the imperialists. As our veterans are experiencing through practical struggle, the process in the advance of the revolution is a process of overcoming trials, and all kinds of trials can be overcome and achieve victory when there is firm revolutionary faith in this road.

Revolutionary is faith and faith is victory. The conviction of sure victory in socialism by our people and veterans is an unchangeable faith based on the firm conviction in the wise leadership of the party and the leader. [applause]

Former KPA war correspondent Comrade Yi In-mo, the incarnation of faith and will, suffered all kinds of vicious acts and torture over a long period of time by the enemies. However, he did not yield and firmly defended the principles of a revolutionary. This is because through practical life, he keenly felt that the only bosom that gives true life and happiness to him is the bosom of the general, and that he regarded as a pillar deep in his heart

of the firm faith that as long as the general exists, our revolution will be victorious and the fatherland will be reunified without fail. [applause]

War veterans should cherish deep in their hearts the faith that the revolutionary cause, led by the great leader Comrade Kim Il-song and Comrade Kim Chong-il, our supreme commander, is always indomitable and ever-victorious. They should fight to the end along the road indicated by the party and the leader to carry on the accomplishment of the *chuche* revolutionary cause—the socialist cause.

From the time when the Korean revolution was pioneered, war veterans regarded it as their mission to defend and protect with their weapons the party and the leader. They always regarded loyalty to the party and the leader as revolutionary faith, as revolutionary conscience, and as moral principle. War veterans should glorify their lives with pure and clean loyalty without fickleness under any circumstance.

Loyalty of our people and war veterans to the party and the leader should be intensively expressed at present by firmly upholding Comrade Kim Chong-il, our supreme commander, in the center of unity and of leadership, as well as by rendering loyalty to him. Comrade Kim Chong-il, having brilliantly inherited the revolutionary cause pioneered by the great leader—our party's socialist cause—is leading and carrying on to accomplish our revolutionary cause. War veterans should play the role of vanguard in inheriting this loyalty generation after generation. [applause]

Today, all victories won by our socialism by demonstrating invincible vitality even in the midst of unprecedented, frenzied antisocialist and anti-republic offensive by the imperialists and international reactionaries are the victory of outstanding revolutionary leadership of our comrade supreme commander who is most brilliantly embodying the great leader's ideas and leadership. They are the victory of his uncommon wisdom and iron-will. [applause]

Indeed, Comrade Kim Chong-il, our supreme commander, brilliantly inherited the great leader Comrade Kim Il-song's revolutionary cause. Comrade Kim Chong-il is the banner of victory of our revolution and is the symbol of all glories and dignity of our fatherland and people. [applause]

War veterans should follow the example of faith and spirit displayed by the young communists at the dawn of our revolution. The young communists victoriously broke through the revolutionary road by upholding the great leader with the spirit of Hanbyol [great star symbolizing Kim Il-song]. War veterans should defend Comrade Kim Chong-il, our supreme commander, with their lives by becoming guns and bombs, no matter what violent wind may blow. [applause]

By cherishing the lofty pride of old generation revolutionaries, who achieved and defended the tradition of

single-hearted unity, war veterans should stand at the vanguard of the struggle to unite the whole party, the people, and the entire Army more firmly with Comrade Kim Chong-il, our supreme commander, who is destiny of the nation and the heart of the Korean revolution. Thus, they should firmly consolidate the driving force of our revolution into invincible forces capable of breaking through any storm.

War veterans should become genuine loyalists who are defending and implementing the party's policies and lines most thoroughly and through practical action without ideological and mental senility.

War veterans who work in various domains of the national economy should effect a new upsurge in production and construction by highly displaying the revolutionary spirit of self-reliance and arduous struggle with such spirit and vigor as displayed while they crossed the blazing river and broke through rugged bogs. They should actively participate in the movement to create the speed of general march of our-style socialism. Thus, they should vigorously accelerate economic construction.

By thoroughly implementing the revolutionary economic strategy put forward by the party, we should effect a decisive turning point in strengthening the nation's economic power and enhancing the people's standard of living. We should actively contribute by demonstrating further the superiority of popular mass-centered socialism of our own style.

It is currently important to defend, protect, and develop the *chuche*-oriented socialist cause to strengthen the nation's defense power.

The prevailing situation is still strained and acute, and demands that the nation's defense power be continuously strengthened.

War veterans should be mindful that the more loudly the enemy may talk about peace, the more we should think about war. They should live and work with such spirit as the one they displayed when, while wearing a military uniform, they waged a decisive battle under dense gun-smoke.

War veterans who are posted to the defensive line of the nation should strengthen in every way the military power of the People's Army by thoroughly implementing the party's policy for converting the entire Army into a cadre army and for modernizing the entire Army. War veterans who are defending the posts of socialist construction should continuously accelerate the all-people armament and turn the whole country into a fortress. Thus, they should make great contributions to more firmly consolidate the all-people and entire-country defense system.

The veterans' revolutionary duty is to firmly prepare the new generations to be dependable inheritors of the revolution by completing the *chuche* revolutionary cause. Today's reality, with the change of generations

taking place within the revolutionary ranks, with the advance of the revolution, and the passage of time, urgently demand that the new generations are firmly prepared in a revolutionary manner. Veterans should enhance the revolutionary consciousness and class awareness among the new generation so that they may become a fortress and shield which resolutely protects and defends the party and the leader in any adversity, as the first and second generations did, steadfastly holding in their hands the relay race baton of the *chuche* revolutionary cause, absolutely revering their leader [suryong] and their leader [chidoja].

At the same time, veterans should pass on the ideological and spiritual assets—such as the inexhaustible loyalty to the party and the leader which has been formed and solidified in the blaze of the stern revolutionary struggle, the warm love for and devoted spirit of serving the country and the people, and unequalled sacrificing spirit and heroism—to the new generations so that they may resolutely defend, adhere to, and complete the party's cause to the end as their preceding revolutionary leaders did.

Reunifying the country is the greatest long-cherished national desire. It is the veterans' sacred duty to the party, the revolution, the country, and the people. If veterans fail to realize this greatest long-cherished national desire, it cannot be said that they have fulfilled their mission and duty, whatever work they may do and wherever they may be, nor do they even have a right to die. Our veterans should be deeply aware of their mission for the country and the people and reunify the country by all means in the nineties. They, therefore, should wage an active struggle to pass on the unified country, one country, to the coming generations.

The veterans should stand at the head of the struggle to realize the country's reunification based on the 10-point program of the great unity of the whole nation—the great charter of national unity and the common great program for the nation for reunification—with the united strength of all compatriots in the North, the South, and overseas, to expedite the day of the great festivity of upholding the great leader and our comrade supreme commander at the plaza of reunification.

Party organizations should work well with veterans so that they can defend and adhere to the socialist cause and play the role of a standard-bearer in the struggle for its victory. Party organizations should work significantly with veterans so that they can continue to bring the flower of the revolution into full bloom and perform their duties as true revolutionaries who are loyal to the party and the leader.

Party organizations should sincerely assist veterans so that they can defend their outposts with a strong fighting spirit, courage, and energy without knowing a false show of power. At the same time, party organizations should not only lead veterans to give respect from society, but also should pay close attention to their work and life as

a whole and, thus, should solve their problems on a timely manner so that they can more vigorously fight for the country's reunification and for the consummation of the *chuche* revolutionary cause.

The party's confidence and expectation toward the veterans in the struggle for safeguarding and defending socialism and for its victory are particularly great. As long as our veterans—who are the core elements of our party and the revolutionary Armed Forces—uphold the party with loyalty and firmly link the past and the future of the Korean revolution with the bloodline of *chuche*, our socialist cause will be infinitely ever-victorious, and our socialist fatherland will be infinitely prosperous. [applause]

Let us all firmly unite around the party Central Committee headed by the respected and beloved leader Comrade Kim Il-song and more vigorously fight for the country's independent and peaceful reunification and for the consummation of the *chuche* revolutionary cause. [applause and shouts of slogans]

Kim Il-song Meets With Yi In-mo

SK2307234293 *Pyongyang KCNA in English* 1535
GMT 23 Jul 93

[Text] Pyongyang, July 23 (KCNA)—The great leader President Kim Il-song in company with senior party and state officials today met Yi In-mo, a former war correspondent of the Korean People's Army [KPA] and a veteran of the Fatherland Liberation War, who was participating in the National Conference of War Veterans.

Present on the occasion was Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army.

Also on hand were O Chin-u, first Vice-chairman of the National Defence Commission of the DPRK and Minister of People's Armed Forces; Kang Song-san, Politburo member of the C.C. [Central Committee], the Workers' Party of Korea [WPK] and Premier of the Administration Council; Pak Song-chol, Politburo member of the C.C., the WPK and Vice-president; Choe Kwang, vice-chairman of the National Defence Commission of the DPRK and chief of the general staff of the KPA; and Kye Ung-tae, Politburo member and secretary of the C.C., the WPK.

President Kim Il-song expressed deep satisfaction with the considerable improvement of the health of Yi In-mo, the incarnation of faith and will, and warmly congratulated him on his participation in the national conference of war veterans upon its invitation.

Noting that hero Yi In-mo who had been an invalid unable to move his body due to the harsh torture and persecution by the enemy has returned to life a few months after he was embraced in the bosom of the Republic, he said it was thanks to the embrace of the

great socialist homeland, the deep loving care of the party and the devotion of revolutionary comrades.

Saying that Yi who won the showdown of faith with the enemy was a paragon of indomitable members of the Workers' Party of Korea with steadfast faith and strong will, President Kim Il-song expressed the belief that he would completely recover his health in a short period and devote his remaining years to the noble cause of national reunification and the country's prosperity.

Yi extended deepest thanks to President Kim Il-song and Comrade Kim Chong-il who saved his political integrity and life and [word indistinct] as him on the glorious platform and expressed his firm determination to continue devoting himself to the noble cause of national reunification.

KCNA Reports Speeches on 23, 24 Jul

SK2407111393 *Pyongyang KCNA in English* 1042
GMT 24 Jul 93

[Text] Pyongyang, July 24 (KCNA)—The national conference of war veterans is going on.

The floor was taken on July 23 and 24 by General of Korean People's Army Yi Chong-san, an anti-Japanese revolutionary fighter, twice hero of the republic and labor hero; Kim Ki-su, a section chief of the Chong Chun-taek University of Economics and hero of the republic; Yun Kyong-yol, a driver of Pyongyang lorry company No. 2 and labor hero; Sim Pong-won, a writer of the Korean literary production; Ko Kyong-chan, a department director of the Kaesong Municipal Administrative and Economic Committee; Yu Chong-hyon, chairman of the management board of the Hwasan cooperative farm, Sinchon County, South Hwanghae Province and labor hero; and many other war veterans.

Overflowing with emotion, they spoke of their glory and happiness in participating in the historical conference which opened in the presence of the great leader President Kim Il-song and Comrade Kim Chong-il, our supreme commander.

They said President Kim Il-song had reared Korean youths as communist revolutionaries in the anti-Japanese war, led the anti-imperialist revolutionary war and arduous and complicated socialist construction to a shining victory with them as the core. They also said that he called the war veterans the treasure and stand-bearers [as received] of the revolution and guided them to play the pivotal role in the strengthening and development of the party and the revolutionary armed forces and in socialist construction.

They noted that Comrade Kim Chong-il guided those who participated in the anti-Japanese war and in the Fatherland Liberation War to become the backbone of the revolutionary armed forces of chuche and the vanguard of socialist construction to always glorify their life as revolutionaries.

They expressed their firm determination to remain faithful to the party's cause, the cause of socialism, under the revolutionary banner of chuche in the spirit of a soldier holding a rifle as they did in the days of war.

At the second-day session the congratulatory group of the Korean Children's Union read a congratulatory message to the conference.

The conference continues.

KCNA Reports Speeches Through 25 Jul

SK2507111293 *Pyongyang KCNA in English* 0837
GMT 25 Jul 93

[Text] Pyongyang, July 25 (KCNA)—War veterans of Korea have hardened their determination to make their exploits in the anti-Japanese revolutionary war and the Fatherland Liberation War shine more brightly in the vibrant realities today and keep the flower of the revolution in bloom.

Those who took the floor at the national conference of war veterans held here July 23-25 stressed that they would discharge their mission and duty as revolutionary soldiers of the old generation for the country, the revolution, the times and history under the revolutionary banner of chuche in the van of the sacred struggle to accomplish the cause of the party, the socialist cause of chuche.

General of the Korean People's Army [KPA] Yi Chong-san, an anti-Japanese revolutionary fighter who has received the title of twice hero of the republic and the title of labor hero, declared that the veterans of the anti-Japanese war would entrust all their destinies entirely to the dear leader Comrade Kim Chong-il with the same loyalty they displayed during the fight on Mt. Paektu under the guidance of the great leader Comrade Kim Il-song and would hold the dear leader in high esteem forever and devote everything to the sacred struggle to resolutely defend him politically and ideologically and with their lives.

KPA General Kim Tae-ho, hero of the republic, said the officers and men of his unit would keep it as their unshakable faith that the dear leader Comrade Kim Chong-il is the motherland and their destinies and future and the eternal prosperity of the country depend on him, comrade supreme commander, and would trust, follow and defend only him with their lives, singing aloud the song of faith "Without You, No Motherland" come what may in the world.

Kim Won-chin, manager of the May 24 export fishery station, who became a hero of the republic at the age of 22 after destroying enemy warships with mines during the Fatherland Liberation War, said he would firmly defend the post of fisheries assigned him by the party, catch more fishes and actively contribute to improving the people's standard of living and exalting the Korean-style socialism.

Hwang Tong-kun, a worker of the Tanchon District General Bureau of Mining Industry, who served in the army for 30 years from the period of the Fatherland Liberation War and made all his five sons soldiers defending the country, said that seeing the third and fourth generations of the revolution who volunteered to join the People's Army, he keenly felt the sagacity and greatness of the guidance of the dear leader Comrade Kim Chong-il who successfully brought up the new generations to be true successors of our party.

He declared that he would take the lead in assisting the People's Army, strengthen our revolutionary armed forces and bring the traditional traits of army-people unity into full play.

Yang Pan-ki, hero of the republic and vice-chairman of the Sakju County Administrative and Economic Committee, who destroyed many pieces of combat technical equipment and killed or captured more than 150 enemy soldiers at the head of a squad in April [words indistinct] see the reunification of the country and hail the great leader standing on the rostrum of reunification. Yang Pan-ki stressed that if the enemy starts a war again, all his family members will be rifles and bombs to wipe out the enemy.

Kye Ung-tae Gives Closing Speech

SK2507133493 *Pyongyang Korean Central Broadcasting Network in Korean 0851 GMT 25 Jul 93*

[Speech by Kye Ung-tae, member of the Political Bureau and secretary of the Workers Party of Korea (WPK) Central Committee, at the closing session of the national conference of war veterans held in Pyongyang on 25 July—recorded]

[Text] Comrades: The historic national conference of war veterans convened by the Workers Party of Korea [WPK] Central Committee and the party Central Military Commission on the 40th anniversary of the victory in the great Fatherland Liberation War is about to close, having successfully completed its work amid the great interest and blessings of the people and soldiers of the entire country.

The national conference of war veterans, which opened with the presence of our party's and people's great leader Comrade Kim Il-song and our supreme commander Comrade Kim Chong-il, was a momentous memorable event in the annals of our revolution that stirred the country's people and war veterans with high political enthusiasm and revolutionary pride. All of the participants will long remember with deep gratitude and emotion the conference which was held amid the party's and the leader's extraordinary interest and benevolence. [applause]

All of the participants are filled with the inexhaustible adoration and burning loyalty to the great leader Comrade Kim Il-song and our supreme commander Comrade Kim Chong-il, who attached great significance to the

national conference of war veterans and spared their valuable time to attend the conference and warmly congratulate the participants. They are filled with firm resolve to be loyal to the party and the leader with all their hearts and minds cherishing today's glory and happiness deep in their hearts and to more vigorously advance for the ultimate victory of the revolution. [applause]

The entire process of the conference powerfully demonstrated the noble revolutionary traits and heroic spirit of the war veterans who have firmly defended with arms the victorious advance of the chuche revolutionary cause under the leadership of the party and the leader. The conferees also clearly demonstrated their firm faith and resolve to struggle to the end for the reunification and independence of the country and for the completion of the chuche socialist cause with the Paektu revolutionary spirit and following the party forever in the future. [applause]

The national conference of war veterans will be remembered with resplendence in the history of our party and country as a meeting of loyalty which demonstrated the invariable faith and indomitable spirit of the veterans who are resolved to wage a struggle, devoting everything they have, for the completion of the chuche revolutionary cause with wholehearted unity, upholding the party's leadership despite any change in the situation, and as a breakthrough meeting which further solidified the wholehearted unity of the leader, the party, and the masses. It has opened a new turning point for the advancement of the revolution and construction with the invincible might of the unity. [applause]

I declare the national conference of war veterans closed with a conviction that all the participants will fulfill their duty as the core of our party and the revolutionary Armed Forces under the leadership of the party Central Committee headed by the respected and beloved Comrade Kim Il-song, as they pledged in the conference with the war veterans of all the country, so that they may splendidly carry out their mission and duty to the times and the revolution. [applause]

Conference Closes 25 Jul

SK2507113693 *Pyongyang KCNA in English 1056 GMT 25 Jul 93*

[Text] Pyongyang, July 25 (KCNA)—The national conference of war veterans which opened here on July 23 closed today.

Prior to the closing session, speeches were made by war veterans including Chu Tong-kyok, an officer of the Korean People's Army, Kim Song-chin, hero of the Republic and lecturer at the victorious Fatherland Liberation War Museum, and Ryu Chong-in, hero of the Republic residing in Tongmun-dong No. 1, Taedonggang District, Pyongyang.

The speakers told about the heroic feats and military miracles wrought during the Fatherland Liberation War by veterans who acquired as their faith through their life experience the fact that the fatherland is immediately the leader and all their happiness and bright future are promised by the fatherland guided by the leader.

They vowed to fulfill their obligations as the hardcore of the party and revolutionary Armed Forces and successfully discharge their honourable mission and tasks as revolutionaries of the old generation before the times and the revolution under the guidance of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

A message of pledge to the great leader President Kim Il-song and supreme commander Comrade Kim Chong-il was adopted at the conference.

Leaders Congratulate War Veterans

*SK2607121793 Pyongyang KCNA in English 1020
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—The great leader President Kim Il-song, accompanied by leading party and state officials, posed for a photograph with the delegates to the national conference of war veterans Sunday. The delegates to the conference enthusiastically welcomed President Kim Il-song and Comrade Kim Chong-il, chairman of the National Defence Commission of the DPRK and supreme commander of the Korean People's Army, raising stormy cheers of "Hurrah!"

Present on the occasion were O Chin-u, first vice-chairman of the National Defence Commission of the DPRK and minister of People's Armed Forces; Kang Song-san, member of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and premier of the Administration Council; Pak Song-chol, Politburo member of the C.C., WPK and vice-president of the DPRK; Kim Yong-nam, Politburo member of the C.C., WPK and vice-premier of the Administration Council; and Choe Kwang, vice-chairman of the National Defence Commission of the DPRK and chief of General Staff of the Korean People's Army; and other leading party and state officials.

President Kim Il-song and Comrade Kim Chong-il, together with leading party and state officials, congratulated the delegates of veterans who had fought a heroic struggle in the glorious anti-Japanese revolutionary war for the independence of the country and for the freedom and emancipation of the people and in the Fatherland Liberation War and have made great contributions to socialist construction and national defence over the 40 years since the war, and posed for a photograph with them.

Papers Hail Veterans Conference

*SK2307153393 Pyongyang KCNA in English 1505
GMT 23 Jul 93*

[“Papers Hail National Conference of War Veterans”—KCNA headline]

[Text] Pyongyang, July 23 (KCNA)—Pyongyang-based papers today warmly hail the national conference of war veterans which is opening here today according to a decision of the Central Committee of the Workers' Party of Korea and the party central military commission.

NODONG SINMUN says in an editorial that the war veterans of the Korean revolution are the core of the Workers' Party of Korea and the revolutionary Armed Forces and the vanguard fighters for the socialist cause.

It further says:

The conference will mark a significant occasion in constantly glorifying the tradition of loyalty to the party and the leader and singlehearted unity displayed by the war veterans in the whole course of the Korean revolution, protracted and arduous.

The tradition of loyalty to the party and the leader and singlehearted unity in our revolution was provided by the anti-Japanese revolutionary fighters, the first generation, and it has been kept pure and clean up to date.

The loyalty of our war veterans who have glorified the proud tradition of singlehearted unity through decades have been fully displayed in upholding the guidance of the dear leader Comrade Kim Chong-il.

A loud voice of faith of our veterans determined to devotedly fight for the dear leader with loyalty to him as their life and blood will ring out of the conference hall. And this will clearly show to the world people how excellent the spiritual world of the Korean war veterans is.

It will be a historical conference which will bring a revolutionary turn in the struggle for steadfastly defending Korean-style socialism which was won and glorified at the cost of blood and completing it.

The conference will be an important landmark in inducing the war veterans to further increase their pivotal role in bringing the advantages and might of Korean-style socialism into full play.

It will be a meaningful occasion in helping the younger generation know better how the first and second generations of our revolution fought to provide the excellent socialist system and a happy socialist life the Korean people are enjoying now and letting them make a grim resolution not to spoil the price of blood and sweat shed by revolutionary seniors.

MINJU CHOSON stresses that glory is always in store for our war veterans who are advancing with invariable faith never shaken in the flow of time and the changing situation.

Kim Chong-il Thanks Plants, Enterprises

*SK2607043293 Pyongyang Korean Central
Broadcasting Network in Korean 1200 GMT 21 Jul 93*

[Text] Many plants and enterprises throughout the nation correctly fulfilled the independent economic accounting system which is a planned and rational way to manage and operate socialist state-run enterprises during the past 20 years. They fulfilled this by highly upholding the great leader's teaching and our party's intention of carrying out the enterprise management well in conformity with the demand of the Taean work system. Therefore, they showed magnificent examples in brilliantly implementing the production plan and financial plan.

Comrade Kim Chong-il, the dear leader of our party and people, sent a thank-you message to plants and enterprises that showed examples in carrying out production plan and financial plan during the past 20 years. These plants and enterprises are the Yuseon Mine; Huijung Mine; Sara Mine; Sunchon Mine; 17 March Hydroelectric Power Station Complex; Hochongang Power Station; Kanggye Youth Power Station; Changjingang Power Station; Tongchon Power Station; Sopo Railway Machine Plant; Pyongyang No. 1 Long-Distance Truck Transportation Unit; Sinuiju Ship Plant; Pyongyang Non-Ferrous Metal Plant; Pyongyang Aluminum Products Plant; East Pyongyang Metal Furnishings Plant; Rear Materials Management Office of the Ministry of Metal Industry; Construction Work Site of Chung District Public Building; Pyongyang Construction Mechanization Work Site; Pyongyang Metal Building Materials Plant; Pyongyang Chemical Building Materials Plant; Hamhung Binding Material Plant; Yopo Ranch; Pyongyang 21 October Ranch; farm where Comrade Yim Chong-yul is working; Songjin Tractor Spare Parts Plant; Central Surveying Team of the Ministry of Resource Development; Central Seismic Surveying Team of the Surveying Management Bureau of South Pyongan Province; Geological Surveying Team of North Pyongan Province; Songil Geological Surveying Team; Sumun Geological Surveying Team of North Hamgyong Province; Pyongyang Textile Machine General Plant; Hamhung Songchongang Clothing Plant; Tongdaewon Clothing Plant; Sinuiju Export Clothing Plant; Pukchang Iron Daily Necessities Plant; Chungjo Fruit Processing Plant; Kanggye Grape Wine Plant; Mangyongdae Disabled Veterans Fountain Pen Plant; Hamhung Disabled Veterans Ballpoint Pen Plant; Hyesan Disabled Veterans Daily Necessities Plant; Nampo Disabled Veterans Shoe Plant; Kaesong Ginseng Processing Plant; Pharmaceuticals Management Office of Pakchon County; Commerce Management Office of Chonchon County; Pyongyang General Printing Plant; Education Textbooks Printing Plant; and North Hwanghae Province Printing Plant

Upon receiving the thank-you message, the functionaries, workers, and technicians of the plants and enterprises improved and strengthened enterprise management in accordance with the demand of the Taean work system, and highly manifested the revolutionary spirit of self-reliance and fortitude to normalize production at a high level by overcoming difficulties they are faced with through their own strength.

Along with facilities management, resources management, and labor management, the plants and enterprises put emphasis in financial management to bring about a new turning point in the overall enterprise management, and firmly adhered to the work to thoroughly implement the party's policy to produce to the utmost and conserve to the utmost.

Therefore, during the past 20 years, these plants and enterprises magnificently implemented the production plan and financial plan including the total volume of industrial production plan and state budget payment plan; all the more firmly consolidated the basis of the country's self-dependent national economy; and actively contributed to improving the people's living standard.

South Korea

Armistice Agreement Anniversary Viewed

*SK2607095993 Seoul YONHAP in English 0755 GMT
26 Jul 93*

[By Kim Myong-chol]

[Text] Seoul, July 26 (YONHAP)—Forty years ago on Tuesday, the shooting stopped after three years and one month of fratricidal war between South and North Korea, aided by 16 Western nations under the U.N. flag and by China and the Soviet Union under the communist banner.

Today, the war not officially over, 1,292 demarcation signs, 696 put up by the U.N. command and 596 by North Korea, dot the 248-kilometer-long (155-mile) by four-kilometer-wide (2.5-mile) Demilitarized Zone that cuts the Korean peninsula almost in half.

Since the Armistice Agreement was signed at Panmunjom at 10 A.M. on July 27, 1953, and brought a shaky peace to the peninsula, North Korea has committed no less than 423,457 violations of the accord, including the infiltration of a 31-man suicide squad into the heart of Seoul in January 1968, according to military sources here.

North Korea did this despite stipulations in the agreement that guarantee a full ceasefire until the "Korean issue" is peacefully settled. It has never discarded its basic strategy for communizing South Korea by force for national reunification and recently added to tensions by refusing to allow international inspections of two sites suspected of being part of a covert nuclear arms development program.

North Korea calls armistice day "Victory Day of the Fatherland Liberation War" and has declared the 40th anniversary "A Day of National Festivity." It has been busy since January preparing for colorful events marking the day and has erected a commemorative tower in Pyongyang.

In South Korea, however, Armistice Day observances are plain and simple, with brass hats and war veterans visiting the national cemetery to pay homage to fallen heroes.

The truce suggests that the Korean war still is technically not over, and confronting each other over the Demilitarized Zone are 655,000 South Korean troops and 1.01 million North Korean troops. The United States also maintains a strong military presence in the South.

Maj. Gen. Hwang Won-tak, the first South Korean head of the U.N. component of the Military Armistice Commission, said that on the 40th Armistice Day there should be preparations for South Korea to take back operational control of its armed forces from the United States as it assumed jurisdiction over the joint security area of Panmunjom in October 1991 and scrap the truce agreement.

The Military Armistice Commission is the watchdog of the truce and provides the only window through which northern and southern military authorities can talk to each other.

Hwang's proposal bears a look in the context of unification strategy, the aftermath of German unification, the fall of the Soviet Union and China's reform policy. His suggestion that the truce accord be replaced with a peace treaty or a non-aggression pact is not a dream of the distant future.

Since 1991, the South Korean Government has been studying steps that should be taken to eventually replace the Armistice Agreement with a peace treaty for peaceful coexistence of North and South Korea.

At its high-level talks with the United States in Geneva last week, North Korea agreed to resume negotiations with the International Atomic Energy Agency on international inspections of its two suspected nuclear sites, to replace its graphite-moderated nuclear reactors with light-water reactors, and to resume talks with South Korea.

North Korea is also talking about an inter-Korean summit, though South Korea says the summit will be possible only when North Korea clears itself of suspicion surrounding its nuclear arms development program.

Observers in Seoul predict that there will be some form of inter-Korean talks on national unification this year as things on and around the Korean peninsula are developing toward termination of the Armistice Agreement.

But the stark reality 40 years after the shooting stopped is that North and South Korean soldiers stand on guard

against each other at opposite ends of the bridge of no return in Panmunjom, the bridge on which U.S. President Bill Clinton set foot two weeks ago.

Minister Links DPRK Nuclear, Economic Issues

SK2807040293 Seoul SEOUL SINMUN in Korean 28 Jul 93 p 1 & 2

[Report on interview with National Unification Board Minister Han Wan-sang by SEOUL SINMUN on 27 July 1993—place not given]

[Text] The government decided to immediately discuss the issue of full-fledged economic cooperation with the North by allowing ROK businessmen's visit to North Korea, which has been suspended so far, if North Korea accepts nuclear inspections by the International Atomic Energy Agency [IAEA]. Such a decision by the government is based on its judgment that North Korea's economic difficulty has been recently getting worse and that North Korea's considerable concession on the nuclear issue made at the Geneva talks is aimed at seeking our side's economic cooperation.

In a special interview with SEOUL SINMUN on 27 July, Han Wan-sang, deputy prime minister and minister of the National Unification Board, said: "If North Korea accepts the IAEA's special inspection, the government will immediately allow ROK businessmen to visit North Korea and have them discuss with North Korea the issue of full-fledged investment in the North. The government will expand economic cooperation on a gradual basis depending on the degree of transparency of the North Korea's nuclear issue."

The resumption of North-South economic cooperation, which has been suspended, is expected to serve as an opportunity for revitalizing domestic economy. Deputy Prime Minister Han said the government maintains the invariable policy that if North Korea continues to delay the IAEA's inspection, it will promote economic sanctions by the United Nations' Security Council.

In parallel with U.S.-North Korean talks, the government plans to propose that North-South dialogues be held in order to discuss the issue of economic exchange including the nuclear issue. If North Korea's nuclear issue is resolved, the phase of North-South exchange and cooperation—the first one of three phases for realizing reunification—can be immediately put into practice, Deputy Prime Minister Han predicted. He also anticipated that North-South confederation—the second phase for realizing reunification—is likely to come true in 1995 or 1996 at the latest after the North and the South build up mutual confidence through exchange and cooperation.

North-South ministerial and parliamentary exchanges including summit talks can be institutionalized in the phase of North-South confederation. Under the current

circumstances in which North Korea's nuclear issue is still pending, it is not proper to discuss North-South summit talks.

Our businessmen's visit to North Korea has been suspended due to the South Korean Workers Party of Korea case and suspicion about North Korea's nuclear development since the Nampo survey team's visit to the North in October 1992. North-South trade has been sharply reduced since then. The trade in the form of indirect trade and processing in return for payment of wage by way of third country last June amounted to only \$14.7 million.

Subcontract Manufacturing Orders for DPRK Up
SK2007084293 Seoul MAEIL KYONGJE SINMUN in Korean 20 Jul 93 p 2

[Text] With the beginning of this year, South Korean enterprises' orders to North Korea for the manufacture of goods under subcontract have been placed on a full scale.

According to the Korea Trade Promotion Corporation [KOTRA] and relevant business circles on 19 July, our business firms' orders for North Korea's manufacture of goods under subcontract numbered 13 cases in total, amounting to \$1,433,299, as of the end of May from the beginning of the year.

This shows a drastic increase from 2 cases, amounting to \$32,928, in 1991, and from 8 cases, amounting to \$439,976, in 1992.

Samsung Industries registered the greatest amount, \$624,299, in 7 cases; and Lucky-Goldstar recorded \$614,136 in 3 orders.

On the other hand, the Hanil Synthetic Fiber Company supplied 3,100 kilograms of acryl yarn to North Korea and brought in half-finished men's sweaters under a subcontract amounting to \$67,444.

Hunt, a medium scale business firm, brought in men's trousers amounting to \$99,990 from North Korea.

The subcontract projects have been carried out in the form of joint venture businesses, in which our side supplies raw materials to North Korea and North Korea manufactures goods with these raw materials and sends them to our side as finished items. The subcontract projects were concentrated mainly on stuffed toys, bags and so on, in the past. The skill needed to manufacture them is relatively low. However, the subcontract project is rapidly expanding into the field of clothes, including shirts, sweaters, and jackets.

Companies Ready for More Economic Ties With DPRK

SK2107035293 Seoul THE KOREA TIMES in English 21 Jul 93 p 8

[By staff correspondent Sa Tong-sok]

[Text] As North Korea and the United States reached a compromise on the nuclear issues, South Korean companies are poised to enter into full-scale economic cooperation with North Korea. But South Korean government officials took a guarded position on expected improvements in inter-Korean economic relations, saying the agreement reached between Pyongyang and Washington Monday has yet to guarantee that North Korea will accept international inspections of its nuclear facilities.

The officials said North Korea may be trying to buy time needed to develop its nuclear arsenal while entering into talks on the nuclear issue with the International Atomic Energy Agency. "We don't expect full-fledged economic cooperation with the North to begin until after the nuclear issue is settled completely," an official at the Economic Planning Board [EPB]. But he told reporters that the South Korean government may lift a ban on pilot projects such as creating labor-intensive small factories near the North Korean port city on Nampo as a model of inter-Korean economic exchanges.

Following the signing of a historic reconciliation agreement in late 1991, the first of its kind since the two Koreans were separated in 1945, Seoul and Pyongyang had been in intense debate on boosting economic cooperation but the discussions came to a virtual halt due to the latter's refusal of IAEA inspectors access to two buildings at a nuclear facility suspected of harboring a weapons program. The Seoul government also ordered a halt to inter-Korean pilot projects that many North Korean technocrats had hoped would be realized to ease their country's severe economic hardships.

"Regarding economic cooperation with North Korea, we will cling to our earlier stance—no economic cooperation without a settlement of the nuclear issue," said the EPB official, adding that the National Unification Board will shortly map out basic guidelines on inter-Korean economic ties. Talks on inter-Korean joint ventures began in 1989, when Chong Chu-yong, founder of the Hyundai business group, visited North Korea, but no subsequent progress was made.

During the reconciliation period after the signing of the landmark basic pact, Daewoo group chairman Kim U-chung proposed a host of joint venture projects, some of which the governments of South and North Korea endorsed. In the meantime, South Korean companies are hastening to conclude joint venture business projects on their judgment that the nuclear issue will be settled sooner or later.

Some companies, such as Samsung, Daewoo, Miwon and Kohap, which have already received invitations from North Korea, are ready to resume their contacts with North Korean officials. And several footwear and garment makers have charted out concrete investment plans, mostly in the form of knockdown manufacturing, cashing in on North Korea's low labor costs.

Industry analysts say South Korean companies are now in the position of losing ground in North Korea because many Western enterprises have already set foot in North Korean territory to press for joint business projects. According to the Korea Trade Promotion Corp., foreign investment in North Korea has numbered 110 cases since 1984 with 90 percent of these invested in by Pro-Pyongyang Koreans residing in Japan. But most recently, a number of Western companies have shown keen interest in investing in North Korea in their bid to look for low labor costs and diligent manpower.

The Economic Planning Board said German companies recently signed knockdown manufacturing contracts worth roughly 100 million dollars with North Korea. In contrast, the value of South Korea's knockdown contracts stood at only several million dollars at the end of June, according to an EPB official. In the first half of this year, inter-Korean trade amounted to about 90 million dollars in 217 cases, down 17 percent in value from the corresponding period of last year, in reflection of the sour relations.

Patent Agreement With U.S. Takes Effect 29 Jul

SK2807090593 Seoul YONHAP in English 0828 GMT 28 Jul 93

[Text] Seoul, July 28 (YONHAP)—Seoul's agreements on patent secrecy and technology cooperation with Washington take effect Thursday. The Patent Secrecy Agreement (PSA), mostly covering military patents, allows the governments to use an invention or patented technical information of the other side free of cost when used purely for information. For research and development or defense manufacturing use, the two sides first need a memorandum stating in detail the terms and conditions of use.

The Scientific and Technical Agreement (STA) is more of a supplementary pact to the PSA, laying out terms for necessary technology transfer. Both agreements were signed in January 1992 but effectuation was delayed until Washington was assured that Seoul had prepared full protection and punitive measures against patent violations.

Agreement on 'Informal' Ties With Taipei Viewed

SK2707040093 Seoul YONHAP in English 0245 GMT 27 Jul 93

[“News Analysis” by Yi Tong-min]

[Text] Seoul, July 27 (YONHAP)—Seoul and Taipei shook hands on a new friendship Tuesday that isn't as good as the old one but is the best under the circumstances. The two sides agreed on informal relations to replace the full diplomatic ties that were cut off when Seoul recognized Beijing as the only legitimate government of China on Aug. 24 last year.

Ambassador-at-Large Yi Hyon-hong and Charles Shuchi King, a former Taiwanese envoy to Seoul, signed the agreement in the Japanese city of Osaka at 9 AM and the two sides jointly announced the agreement an hour later. Traces of sincerity and consideration for each other are found in many places.

Taiwan conceded on two major points. It abandoned its demand to set up an office in South Korea using country name “Republic of China” and it agreed to negotiate directly with China on property ownership disputes, allowing an easy way out for the South Korean Government.

In turn, Seoul agreed to call the offices “missions” instead of “representatives.” “We tend to think of ‘missions’ as official, diplomatic bodies, but they are not necessarily,” Korean Assistant Foreign Minister Sin Kipok said. Sources confirm that a “mission,” at least symbolically, has more weight than a “representative.”

Seoul also agreed to let Taipei decide who to send to its missions in Korea, to open in Seoul and Pusan, meaning Taiwan is free to dispatch Foreign Ministry staff. Any Foreign Ministry officials would, of course, have to come as private citizens, but they would be given “all necessary privileges” to carry out their functions, Sin explained.

South Korea is the first country to sign an official document on new relations with Taiwan. It is also the first country to open offices as “missions” instead of “representatives.”

Seoul is expected to close its eyes on other minor details, such as allowing the hoisting of the Taiwanese national flag as long as they cannot be seen from outside. Seoul was branded a liar and betrayer when it normalized relations with Beijing last August, just days after notifying Taiwan of its intentions. Discussions to open adjusted ties were blocked by Taiwan's unsubdued ire.

Bilateral relations have actually grown economically. Two-way trade, for example, increased from 2.9 billion U.S. dollars in 1991 to 3.5 billion dollars last year. But Taipei closed its doors to import of Korean automobiles and air and sea services between the two countries were completely suspended.

With Tuesday's agreement, the two sides can resume relations that are unofficial only in name. All 12 former treaties except for the basic relations agreement will be back in effect even before they are replaced by private pacts.

Mission staff, although without the right to negotiate with government institutes of their host nation, are expected to issue visas and carry out basic functions. China's immediate reaction was not known. Seoul notified its embassy here Monday [26 July].

Seoul Hopes To Increase Farm Trade With Taiwan

*SK2807003993 Seoul YONHAP in English 0007 GMT
28 Jul 93*

[Text] Seoul, July 28 (YONHAP)—Farm trade between South Korea and Taiwan is expected to pick up as the two countries have agreed to form unofficial relations, officials at the Agriculture, Forestry, and Fishery Ministry said Wednesday. The ministry and fruit growers hope to convene a private meeting with their Taiwanese counterparts in August or September to discuss the resumption of farm trade, especially in fruit.

Korea and Taiwan severed their traditional ties when Korea established diplomatic relations with China last year. Taiwan had been the fifth largest importer of Korean farm products after Japan, the United States, the European Community and Hong Kong.

Despite the lack of diplomatic ties, Korea exported fruit, wood and marine products worth 81 million U.S. dollars to Taiwan last year. Korea's imports of farm products from Taiwan last year, including bananas, amounted to 66 million dollars, giving South Korea a trade surplus of 15 million dollars.

But in the first five months of this year, Korea's farm exports to Taiwan registered 18 million dollars, down 55 percent from last year. Particularly, Korea exported no apples and pears, whose shipments last year totaled 21 million dollars. As a result, Korean exporters of fruit have been trying to diversify their overseas market to Southeast Asia and Europe since Korea and Taiwan severed ties, officials said.

Seoul, Beijing Hold Talks on Electric Power Ties

*SK2807094693 Seoul YONHAP in English 0903 GMT
28 Jul 93*

[Text] Seoul, July 28 (YONHAP)—A negotiation is under way between a group of visiting Chinese officials and South Korea's state-run electric power corporation to promote cooperation in the electric power generation field, including nuclear generation technology. A mission from China's Electric Power Ministry, inaugurated in May, arrived in Korea on July 20 and has had a series of talks with the Korea Electric Power Corp. (KEPCO) on matters of mutual interests, according to corporation spokesmen.

This is the first time that a Chinese Government mission in the field has visited South Korea. Gao Anze, director of the Ministry's Planning Department, heads the nine-member delegation. KEPCO has reportedly expressed its intention to participate in China's Nuclear Power Plant

Construction Project. China, which now has two nuclear power stations, plans to construct six more by the year 2000.

The Chinese mission includes three ministry officials and the Deputy Chief Engineer of the China Nuclear Industry Corp.'s Planning Department, Wen Hongjun, and Li Zheng, a professor at the Beijing Economic Research Institute of Water Resources and Electric Power. The Chinese officials have already visited Wolsung Nuclear Power Plant in North Kyongsang Province, Samchonpo Thermoelectric Power Plant in South Kyongsang Province, the Korea Nuclear Fuel Co. in Taejon, and other electricity related organizations. They are to return to China Saturday.

South Korea is expected to participate in the first overhaul of China's Second Nuclear Power Plant, in Guangdong Province, in two or three years, a KEPCO official said.

Seoul, Ulaanbaatar Sign Customs Agreement

*SK2807023993 Seoul YONHAP in English 0133 GMT
28 Jul 93*

[Text] Seoul, July 28 (YONHAP)—South Korea and Mongolia signed an agreement Wednesday on customs cooperation to jointly prevent smuggling and other crimes. The agreement was signed in Ulaanbaatar by visiting South Korean chief of Customs Administration Kim Kyong-tae and his Mongolian counterpart, Gonchogiin Seseer. It calls for mutual assistance in preventing and investigating customs-related crimes, sharing of updated information and system operations and exchange of customs officials.

Seoul Granted Membership on 3 OECD Committees

*SK2807023793 Seoul YONHAP in English 0128 GMT
28 Jul 93*

[Text] Seoul, July 28 (YONHAP)—The Organization for Economic Cooperation and Development (OECD) has accepted South Korea's application to join three of its committees, the Foreign Ministry said Wednesday. Korea is to become a full member of the Organization's Steel Committee and have observer status on the Environment Policy and Dispute Settlement Committees, the ministry said.

Seoul now has seats in seven committees in OECD, which it hopes to join by 1996 and be recognized as an advanced nation. OECD decisions on five other committees Korea applied for—capital movements and invisible transactions, international investment and multinational enterprises, fiscal affairs, financial markets, and insurance—will soon be made, according to the ministry.

Former Security Planning Head Sentenced to Prison*SK2607132293 Seoul YONHAP in English 1258 GMT 26 Jul 93*

[Text] Seoul, July 26 (YONHAP)—Chang Se-tong, director of the Agency for National Security Planning (NSP) under the Chon Tu-hwan administration, was sentenced to one and a half years in prison at the Seoul District Criminal Court on Monday. Chang was found guilty of pulling strings behind a violence that marred the inaugural meeting of the now-defunct opposition unification Democratic Party in 1987.

Former Rep. Yi Tek-ton of the now-defunct New Democratic Party drew two years' imprisonment for his implication in the same political violence. The presiding judge said testimonies and circumstantial evidences indicate that Chang gave money to Yi on several occasions in 1986 and 1987 in conspiring to obstruct the inauguration of the then opposition party.

The two were arrested last March on suspicion of mobilizing hooligans and having them physically obstruct the inauguration of the opposition party. Chang's lawyers said they would appeal to the Seoul appellate court.

Ministry To Allow Access to Official Documents*SK2707084393 Seoul YONHAP in English 0718 GMT 27 Jul 93*

[Text] Seoul, July 27 (YONHAP)—A law takes effect Wednesday that allows public access to official documents as soon as they are 30 years old, the Foreign Ministry said Tuesday. Older documents, dating as far back as 1948, the year the South Korean Government was founded, will be declassified in October, the ministry said.

Later dated materials and others classified for the past 30 years for national security reasons will be available for private view if a deliberation committee finds extenuating circumstances, ministry officials said. The law goes into effect Wednesday but the ministry needs more preparation before the documents are indexed and on microfilm at its Institute of Foreign Affairs and National Security, they said.

Documents will be made public on Jan. 1 of the year the 30-year requirement expires. Those dated 1964, for example, will be open from Jan. 1, 1994. Papers from before 1963 will be displayed in two different stages this year. Those covering 1948 to 1958 will be made public on Oct. 15, and those from 1959 to 1962 on Nov. 30. The latter group covers one of the most important eras of South Korean history and includes memos prior to the controversial Seoul-Tokyo diplomatic normalization of 1965, the Korean Armistice Agreement and South Korea-U.S. Mutual Defense Treaty of 1953.

Government To Phase Out Policy Loans Over 5 Years*SK2007034393 Seoul THE KOREA HERALD in English 20 Jul 93 p 8*

[Text] The government yesterday decided on a set of principles for phasing out various policy loans over the next five years. The principles are aimed at both accelerating economic deregulation and enhancing financial efficiency.

According to decisions made at the first meeting of the Policy Loan Coordinating Committee, in the first stage the government will start by refraining from introducing new policy loans or expanding the existing ones. In the second stage, it will increase the portion of fiscal spending to help finance the strategic sector while gradually reducing rediscounting and lending by the Bank of Korea.

At the same time, the policy loans now extended by private commercial banks will be exclusively handled by the state-run, specialized banks. The specialized banks will in turn expand borrowing from fiscal funds, public funds and issuing of financial bonds, officials of the Ministry of Finance said.

The policy loans to be reduced or abolished are mostly funds from the central bank for financing such sectors as commercial paper discount, export promotion, farming and fishing industries, technological development, industrial rationalization and small businesses. Out of the total lendings of 96.42 trillion won extended by banks as of 1992, 34.84 trillion won, or 36.1 percent, were policy loans to be abolished under the new government policy.

Policy loans, or government-directed credit scheme, have served as an effective financial tool in promoting strategic industrial sectors in the past decades, but have deterred financial self-regulation and efficiency and weakened government monetary policy, said Vice Minister of Finance Paek Won-ku, who presided over the meeting.

The meeting categorized policy loans into three types. To be abolished or gradually withdrawn from next Jan. 1 will be such "terminal" policy loans as funds for energy-saving facilities, defense industries, private refinancing loans to farmers and fishermen, supports for investment-trust companies and industrial restructuring. A total of 9.05 trillion won have been extended for these purposes, including 5.34 trillion won from the central bank, on an outstanding basis as of the end of 1992.

Also to be converted into "ordinary loans" by being included in the central bank's rediscount ceiling from next year will be the discount of commercial bills, export financing and supports for provincial small businesses, totaling 8.23 trillion won. Those policy loans extended to help support underdeveloped sectors, including smaller businesses and rural households, totaling 7.55 trillion

won, will be replaced by government fiscal funds between 1994 and 1998, according to the principles.

Hyundai Precision Union Settles Dispute

SK2607091493 Seoul YONHAP in English 0700 GMT
26 Jul 93

[Text] Changwon, South Kyongsang Province, July 26 (YONHAP)—The membership of the Hyundai Precision and Industry Co. union approved a pay accord reached earlier in the morning Monday, and will return to work on Tuesday after an eight-day stoppage. Union and management negotiators had agreed on a 4.3-percent pay hike, a 197-percent performance-based increase in bonuses and additional housing support of 800 million won in a three-hour session.

Success was reached after the company gave in on payments of living expenses for five wanted union representatives and two arrested union leaders and on hiring lawyers to represent. The union agreed that the issue of reinstating the dismissed union leaders be handled by the personnel management committee in accordance with company regulations.

There had been 20 rounds of wage negotiations since April, but the two sides were stymied by the union's demand for a pay hike of 15.8 percent until workers downed tools on July 19. The police were mobilized Wednesday, the third day of the strike, and dispersed 400 workers and took in 300 of them. Han Chae-kwan and another union leader were arrested Friday.

Unionists of Hyundai precision cannot strike by law because their company is classified as a first-class defense supplier. In Ulsan, Hyundai Mipo Dockyard Co. is said to have neared a compromise on labor issues.

Unionists have shown a positive response to the company's offer of a 4.7-percent pay hike, a 16,000-won allowance, a 100-percent to 148-percent bonus if the sales goal is reached, and a 50-percent productivity incentive bonus. They will vote on the offer Tuesday.

Accepts Wage Settlement

SK2807094293 Seoul YONHAP in English 0911 GMT
28 Jul 93

[Text] Ulsan, South Korea, July 28 (YONHAP)—Members of the Hyundai Precision and Industry Co. Union approved a wage settlement with an overwhelming "yes" vote Wednesday. Of the union's 3,751 members, 2,700 (77.2 percent) voted for the pay offer and 769 (22 percent) rejected it. Two ballots were invalid. Voting started at 6 A.M. and lasted four hours.

The management offer includes a 197-percent incentive bonus based on achievement, housing support and an application of group-wide average pay hike rate from June next year. The union had resumed normal work on Monday following a tentative compromise between management and union leaders.

Disputes at Other Hyundai Affiliates Continue

Wood Company To Close Ulsan Plants

SK2707040793 Seoul YONHAP in English 0326 GMT
27 Jul 93

[Text] Ulsan, July 27 (YONHAP)—Hyundai Wood Industries Co. became the first Hyundai affiliate in Ulsan to begin a lockout Tuesday, when the union rejected a pay offer. Union members downed tools a week earlier, demanding the reinstatement of three employees. Management reported its planned lockout to the Labor Ministry and Central Labor Committee, then notified the union.

While closing the lumber processing and plywood plants in Ulsan, a factory in Yongin will remain open. Production of furniture, woodwork and plywood amounts to 173 billion won (213 million U.S. dollars) a year, including 78 billion won from the Ulsan plants.

The company estimates that go-slows and strikes since June 30 have cost it about 8.1 billion won. "We judged that we couldn't afford to keep up the factories if the circumstances continued," a company spokesman said. But the union says it is determined to go ahead with its struggle while the police are ready to move in immediately if workers enter the factory in protest. The company offered a 4.7-percent pay raise, a 100-percent achievement bonus, and a 150,000-won summer holiday allowance, whereas the union insisted on a 20.5-percent pay hike, a 700-percent bonus and the reinstatement of three employees. But management said it could not agree to reinstating the two laid-off people because they were imposters, and the third had been convicted of destroying company property.

Meanwhile Hyundai Mipo Dockyard Co. may see an end to its labor strife Tuesday afternoon after the union votes on whether to accept the company offer. In a tentative agreement, the management offered a 4.7-percent pay raise, a 16,000-won rise in allowances, a 100-percent to 148-percent bonus hike according to business performance, and a 50-percent productivity incentive bonus.

Membership of the Hyundai Precision and Industry Co. Union, which was to decide on approving the company pay offer early Tuesday [27 July] morning, delayed the vote to Wednesday due to a slight misunderstanding among union representatives. Some representatives argued that the tentative agreement wasn't fully explained to the union members and called for a delay.

The 1,000-odd unionists reported to work in the morning but would only do normal work in the afternoon. The militant unionists of Hyundai Heavy Industries Co., who have been staging token strikes since Friday, will again down tools Tuesday afternoon and rally to demand sincere talks by the company.

Labor and management were scheduled to meet twice in the day to discuss, and hopefully narrow, differences on pay issues and the demand for reinstatement of the fired

unionists, but the talks broke off with the company insisting the negotiations be confined to wage issues. Both work stoppage and talks are currently under way at Hyundai Electrical Engineering, Korea Flange, and Hyundai Construction Equipment [Hyundai Group subsidiaries].

Unionists Reject Compromise

SK2707124393 Seoul YONHAP in English 1028 GMT 27 Jul 93

[Text] Ulsan, July 27 (YONHAP)—Unionists of two of the dispute-stricken Hyundai companies in Ulsan on Tuesday rejected tentative labor-management compromise plans. The two firms were the Hyundai Mipo Dockyard Co. and Korea Flange Co. The union members of Mipo Dockyard rejected the plan by a vote of 62.7 percent against and 36.3 percent for.

The tentative plan called for a 4.7 percent pay hike, raising of automatic pay-step rise to 16,000 won, payment of an achievement bonus in amounts equivalent to upward 148 percent of one basic wage, and an allowance for attaining productivity increase goal. The unionists of the Korea Flange Co. also voted down a similar labor-management compromise plan. The vote count was 71.0 percent against and 28.6 percent for.

Meanwhile, labor-management negotiations went on at the Hyundai Heavy Industries and Hyundai Construction Equipment Cos. on Tuesday, but with little progress. On the other hand, the union leaders of the Hyundai Electrical Engineering and Hyundai Precision Industries Cos. plan to refer their respective compromise plans to unionists' votes on Wednesday.

Labor Disputes Worsen

SK2807083193 Seoul YONHAP in English 0658 GMT 28 Jul 93

[Text] Ulsan, South Korea, July 28 (YONHAP)—Labor disputes at Hyundai group companies worsened Wednesday as two affiliates threatened lockouts unless unions moderated their demands. Strikes continued at Hyundai Construction Equipment, Hyundai Mipo Dockyard, Hyundai Electrical Engineering and Hyundai Flange, and a go-slow at Hyundai Heavy Industries.

Twenty additional riot police companies were brought in, hiking the total number of riot police deployed in the southeastern city of Ulsan to 12,000. Choe Su-il, president of Hyundai Heavy Industries Co., said he would have to make "an important decision" if negotiations with the union failed to make progress Wednesday, suggesting that he may impose a lockout on Thursday.

Faced with this ultimatum, the union said it would present new proposals prior to Wednesday's meeting in a last-ditch attempt to avoid a lockout. Hyundai construction equipment will begin a lockout Thursday if the union doesn't moderate its pay demands on a par with Hyundai Heavy Industries by Wednesday night.

Management offered a pay hike Tuesday of 46,000 won, including a raise of 15,000 won for promotions, but the union demanded an increase on a par with the Hyundai heavy industries offer of 51,500 won (about 64 U.S. dollars) a month. At Hyundai Wood Industrial Co., which entered the second day of a lockout on Wednesday, some 300 unionists held a rally protesting the lockout near the factory and the union repeated its demand for the reinstatement of fired union leaders in the 26th round of pay talks, starting at 10 p.m. By contrast, Hyundai Motor Co. President Chon Sung-won and union leader Yun Sung-kun signed the pay agreement that the union approved in a vote last week.

Brunei, Malaysia & Singapore

Malaysia

Government Condemns Israel on Eve of 'Arafat Visit

BK2707133093 Hong Kong AFP in English 1055 GMT
27 Jul 93

[Text] Kuala Lumpur, July 27 (AFP)—Kuala Lumpur has condemned Israeli attacks on Palestinian targets in Lebanon as Malaysia prepares to receive Palestine Liberation Organisation (PLO) chief Yasir 'Arafat who flies in here for a three-day visit Wednesday.

"We regret and condemn this action by Israel which has no feelings for human suffering," deputy foreign minister Abdullah Fadzil Che Wan told AFP Tuesday.

Predominantly-Muslim Malaysia is a staunch supporter of the PLO which enjoys full diplomatic recognition here.

'Arafat, who arrives here in a special jet Wednesday morning, would brief Prime Minister Mahathir Mohamad on the escalation of fighting on the Israel-Labanon border, Fadzil said.

Israel Tuesday launched for the third day in a row intense air and artillery assaults on Hezbollah and Palestinian strongholds in Lebanon. The assault has so far killed at least 42 people and wounded 145, mostly civilians, according to hospital sources and police. The violence, the worst in southern Lebanon in 11 years, has triggered fears of a possible collapse of the ongoing Middle East peace talks. The Israeli drive followed the killing of several of its soldiers in Hezbollah and Palestinian guerrilla attacks in Tel Aviv's self-declared "security zone" in southern Lebanon.

Meanwhile, the Malaysian Muslim Youth Movement (ABIM), in condemning the Israeli shelling, said the United States should not condone the attacks by Tel Aviv if it supported resumption of negotiations between the Arabs, Israelis and Palestinians.

"The U.S. should value the lives of the Palestinians and Arabs no less than that of the Americans and Israelis. It can remain mum and dumb on such attacks," said ABIM Secretary General Mohamed Anuar Tahir.

Fadzil said that Malaysia would consider giving financial assistance to the PLO but he did not elaborate.

Government sources said 'Arafat, whose visit is at the invitation of Mahathir, was expected to hold talks on the assistance with Finance Minister Anwar Ibrahim.

"Financial assistance from the Saudis and Kuwaitis to the PLO had not been forthcoming as before. But we will continue to support their struggle spiritually and monetary wise," said a source.

Kuala Lumpur has an ongoing programme in which Malaysians are encouraged to adopt Palestinian children living in Lebanon. So far 300 children had been covered under the programme and they have been provided financial and material assistance.

'Arafat was last in Malaysia in March 1990 when he made a three-day official visit, his first in his capacity as president of the symbolic Palestine State which was declared by the Palestinian National Congress in Algiers in November 1988.

A foreign ministry statement said 'Arafat, who will be accompanied by a six-member delegation, would hold talks on bilateral matters as well as regional and international issues with Mahathir and call on Malaysia's King Azlan Shah.

'Arafat last met Mahathir at the 10th Non-Aligned Movement summit in Jakarta last year.

'Arafat 'Very Concerned' Over Attacks

BK2807064493 Hong Kong AFP in English 0647 GMT
28 Jul 93

[Text] KUALA LUMPUR, July 28 (AFP)—Palestine Liberation Organisation (PLO) chief Yasir 'Arafat expressed deep concern Wednesday over Israeli attacks on Palestinian targets in Lebanon.

"Mr 'Arafat is of course very concerned over the attacks. Our people and our children are dying there," said PLO Ambassador to Malaysia Ahmad al-Farra after greeting 'Arafat at the start of a three-day visit.

'Arafat, who arrived in a special jet from Pyongyang, would brief Prime Minister Mahathir Mohamed during talks later Wednesday on the escalation of fighting in southern Lebanon and the future of the Middle East peace talks, Ahmad told reporters.

Asked whether 'Arafat would want the PLO to continue participation in the Middle East peace talks following the Israeli attacks, Ahmad said: "This depends how. The question here is whether Israel wants talks or just want talks to kill people."

"The situation (attacks on Palestinian targets) is very, very serious. If not (U.S. Secretary of State Warren) Christopher would not have cut short his Asian tour and return to report to President (Bill) Clinton," said Ahmad.

Israel overnight Tuesday launched for the third day in a row intense air and artillery assaults on Hezbollah and Palestinian strongholds in Lebanon. The assault has so far killed at least 56 people and wounded 229, most of them civilians, according to security sources in Lebanon. Around 300,000 people have fled their homes since Israel launched "Operation Accountability" in retaliation for what it said was a sharp increase in attacks on northern Israel and its self-declared security zone in south Lebanon.

Tel Aviv's attacks, the heaviest offensive since Israel invaded Lebanon in 1982, has raised fears of a possible collapse of the ongoing Middle East peace talks.

"The talks will now depend on Israel," said Ahmad, adding that the PLO had given too many concessions. He did not elaborate.

'Arafat, whose arrival in Kuala Lumpur was delayed by more than an hour, was greeted on arrival at the Kuala Lumpur International Airport by Domestic Trade and Industry Minister Abu Hassan Omar. Security was tight along the 20 kilometre (13 mile) route from the airport to the palatial "Seri Carcosa" state guest house where 'Arafat is staying. A police helicopter hovered over 'Arafat's motorcade.

Predominantly-Moslem Malaysia, a staunch supporter of the PLO, which enjoys full diplomatic recognition here, late Tuesday condemned the Israeli bombardment of Palestinian targets in Lebanon.

"We regret and condemn this action by Israel which has no feelings for human suffering," deputy foreign minister Abdullah Fadzil Che Wan said.

Government sources told AFP that 'Arafat, whose visit is at the invitation of Mahathir, was expected to hold talks on possible Malaysian financial assistance to the PLO with Finance Minister Anwar Ibrahim. 'Arafat's last visit to Malaysia was in March 1990, his first in his capacity as president of the symbolic Palestine State, which was declared by the Palestinian National Congress in Algiers in November 1988.

During his current visit, 'Arafat is accompanied by his political adviser Hani al-Hasan, national affairs adviser Saqr Habash, economic adviser Muhammad Rashid and head of the PLO office in Japan, Bakkar 'Abd-al-Mun'im.

Officials said 'Arafat would leave for Hanoi on Friday.

Minister: Talks on F/A-18D Jets To Begin in Aug

BK2807041093 Kuala Lumpur BERNAMA in English 0317 GMT 28 Jul 93

[Text] Kuala Lumpur, July 28 (OANA/BERNAMA)—Negotiations to finalise the purchase of eight F/A-18D Hornet strike-interceptor aircraft for the Royal Malaysian Air Force (RMAF) will begin next month, Defence Minister Najib Razak said Tuesday.

Senior officials from the American aircraft maker, McDonnell Douglas, are scheduled to arrive here next month for detailed negotiations with the ministry, RMAF and treasury officials, he added.

Procurement of the Hornet, on a government-to-government deal under the United States' Foreign Military Sales (FMS) programme, would be expedited, he told reporters here.

Najib said: the U.S. Government has given an undertaking that it would give the necessary cooperation to expedite matters under the FMS sale.

On June 30, the government announced that it had selected a mixed fighter force of 18 Russian MiG-29 aircraft and the eight U.S.-made Hornets, costing a total of about RM4 billion [Malaysian ringgit] to beef up its air defence umbrella.

Najib said no date had been fixed for final detailed negotiations for the MiG-29 fighters.

He also said the RMAF's ageing Caribou transport aircraft might be replaced with new short-range ones under the Seventh Malaysia Plan (1996-2000).

The Indonesian CN-235 transport aircraft made by Industri Pesawat Terbang Nusantara (IPTN) [Indonesian National Aircraft Industry] would be one of the aircraft to be considered if the purchase of new transport planes was approved, he added.

Country Poised To Enter World's Top 20 Exporters

BK2707130093 Kuala Lumpur NEW STRAITS TIMES in English 24 Jul 93 p 18

[By Azrin Azmi]

[Text] Malaysia is set to become one of the world's top 20 exporting nations in three years as the country moves towards achieving its goal to double exports of merchandised goods to RM [Malaysian ringgit] 255 billion in the year 2000.

International Trade and Industry Deputy Minister Chua Jui Meng said this position was attainable as the gap between Malaysia and the current 20th ranked country was not that great.

"In fact, we could go as high as number 18 or 19 in two to three years," he said in his speech at a luncheon organised by the Malaysia-Canada Business Council in Kuala Lumpur yesterday.

Based on the General Agreement on Tariff and Trade (GATT) world report, Australia currently occupies the 20th position with exports of U.S. \$44 billion (RM 114 billion) last year.

Malaysia was ranked 23rd based on last year's exports of RM 103.5 billion. As an importer, the report ranked the country as the 22nd largest.

He said within seven years, Malaysia had successfully managed to turn around the composition of its exports where last year 70 percent were manufactured goods as opposed to primary commodities in 1986.

Chua said in view of the vibrant economies of East Asian countries, Canada should pursue a more aggressive investment policy in the region instead of in the United States.

"The economy in East Asia is expanding, while Canada's traditional partners' are diminishing."

Canadian companies were urged to come to the region and to Malaysia if they were interested in establishing a larger presence in the rapidly growing Asia-Pacific market, which is forecast to surpass the U.S. market in the next century.

Of Canada's total worldwide foreign direct investments of C [Canadian] \$60.5 million (RM 122 million) [amount as published], more than half went to the U.S., while Australia, Africa, and Asia amounted to only 10 percent. From 1980 to 1992, only RM 313.14 million capital investments with Canadian interest were approved in Malaysia.

On two-way trade between Canada and Malaysia, Chua said there were still many opportunities for local exporters to increase their share in the former's market.

He added that Canadian industries relevant to Malaysia which offered potential for collaboration included the manufacture of wood and industrial rubber products; in the oil and gas sector; downstream petrochemical projects; and the aerospace, pharmaceutical, and telecommunications industries.

Mahathir Holds Talks With Fijian Deputy Premier

BK2707075093 Kuala Lumpur BERNAMA in English 0705 GMT 27 Jul 93

[Text] Kuala Lumpur, July 27 (OANA-BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed and Fijian Deputy Prime Minister Filipe N. Bole met Tuesday for discussions on regional and South-South cooperation and other issues. The two leaders also discussed direct air and sea linkages between the two countries as part of efforts to enhance bilateral economic ties, a Foreign Ministry official said. In this context, Bole informed Dr. Mahathir that Fiji would sign a memorandum of understanding with a local company, Prima Mutiara Shipping, to upgrade sea cargo transportation, the secretary for Southeast Asia, Australia, New Zealand, and Pacific Division Rastam Mohd, Isa told reporters after the 45-minute meeting.

Monday, Bole, who is also minister of foreign affairs and external trade, met Transport Minister Dr Ling Liong Sik for talks where both sides agreed to explore the possibility of establishing air and sea links.

During the talks Tuesday, Dr. Mahathir gave his views on the Group of 15 (G-15) developing countries and also expressed the need for developing countries to cooperate with one another, Rastam said. There were some discussions on regional cooperation, the Asia-Pacific Economic Cooperation (APEC) forum and the East Asia Economic Caucus (EAEC), he added.

He said the volume of trade, totalling RM [Malaysian ringgit] 80 million (about U.S. \$32 million), between the

two countries last year stood in Fiji's favour as we buy a lot of sugar from them. Apart from requesting Malaysia to maintain its sugar imports from Fiji, Bole informed Dr. Mahathir that he was interested to study Malaysia's constitution as Fiji was reviewing its own, he added.

Bole, who would be visiting the Proton plant in Shah Alam tomorrow, mentioned that the Malaysian-made car was the third best selling in Fiji after Japanese and Korean models.

Also present during the discussions were Fijian Commerce, Industry, and Tourism Minister Harold Powell.

Singapore

Promotion to Full Cabinet Minister Announced

BK2707141493 Singapore THE STRAITS TIMES in English 27 Jul 93 p 1

[Excerpt] Mr. Lim Boon Heng, the senior minister of state for trade and industry, will become full cabinet minister from today. He will be appointed minister in the Prime Minister's Office and second minister for trade and industry, said a statement from the Prime Minister's Office yesterday. It said that Prime Minister Goh Chok Tong had advised the president to appoint Mr. Lim a cabinet minister. He will be sworn in by President Wee Kim Wee at the Istana [palace] today at 11 a.m. [passage omitted]

1992 Trade Deficit With Indonesia Rises

BK2807025893 Singapore BUSINESS TIMES in English 27 Jul 93 p 3

[Text] SINGAPORE—Singapore's trade deficit with Indonesia rose to US\$ 1.64 billion (S\$2.69 billion) last year, the highest since 1981.

While Singapore's exports to Indonesia fell by 1.6 per cent to US\$ 1.67 billion last year, imports from Indonesia jumped by 37.5 per cent to a record of US\$3.31 billion.

The result is a trade balance in Indonesia's favour of US\$ 1.64 billion, compared with US\$711.4 million in 1991.

The increase in imports from Indonesia came mainly from higher purchases of food products, cosmetics and toilet preparations, textiles, aluminium, tin, machinery, telecommunication equipment, transport equipment, garments, watches and clocks and jewellery.

These figures were given in the 1992/1993 annual report of the Singapore International Chamber of Commerce [SICC], released yesterday.

The report was based on data supplied by the Indonesian Central Bureau of Statistics. The Singapore authorities do not publish data on its trade with Indonesia.

The SICC cautioned that there were fundamental differences in the way the two countries compute their trade figures. A product entering Indonesia is classified as an import from the country of manufacture, even if it is imported through Singapore, whereas the authorities here would customarily classify such an item as an export from Singapore.

Similarly, Indonesian exports to Singapore that are meant for re-export are classified according to their final destinations; Singapore regards them as imports from Indonesia.

Leaving these discrepancies aside, the two-way trade of US\$4.98 billion, or S\$8.19 billion at an annual exchange rate of S\$1.64 to US\$1, made Indonesia Singapore's eighth largest trading partner last year, when ranked against other countries using figures provided by the Trade Development Board here.

Last year, Singapore was Indonesia's fifth largest supplier, after Japan, US, Germany and South Korea, as well as its third largest market after Japan and the US.

The SICC report said that while the balance of visible trade has always been in favour of Indonesia, Singapore has benefited from export of services.

But Indonesia continued to receive substantial capital inflows from Singapore which made Singapore the seventh largest foreign investor in the country last year.

Singapore also remained unsurpassed as Indonesia's largest trading partner in ASEAN, accounting for 72 per cent of Indonesia's trade with the region.

Malaysia was second with a total trade of US\$1.01 billion, followed by Thailand with US\$0.7 billion. However, the growth in Indonesia's bilateral trade with Malaysia and Thailand last year was higher than that with Singapore—at 35.2 per cent and 28.1 per cent respectively, compared to 21.3 per cent.

Last year, Indonesia increased its trade with ASEAN as a whole by 22.8 percent.

Cambodia

Sihanouk Postpones Promulgation of Constitution

BK2807063993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 28 Jul 93

[Text] On 27 July, His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, sent a message from Pyongyang to His Excellency, Chairman of the Constituent Assembly, Prince Kromluong, and His Excellency the cochairman of the Provisional National Government of Cambodia, and Their Excellencies Chem Snguon and Ieng Muli. The gist of the message is as follows:

First: I would like to express thanks with greatest affection to Excellency Chem Snguon for the attached report and documents. I would like also to extend sincere commendation to all heroes in charge of drafting the constitution.

Second: As the period of two and a half months is insufficient, I propose that the constitution be promulgated at the end of September or the beginning of October 1993 and not at the beginning of September.

Third: UNTAC [UN Transitional Authority in Cambodia] and SNC may continue their function until the election of the head of state is held and the Cambodian National Government is set up after the promulgation of the constitution.

With best regards,
[Signed] Norodom Sihanouk

DK Spokesman on Treatment of Vietnamese Settlers

BK2807014393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Jul 93

["Statement by the Spokesman of the Party of Democratic Kampuchea Denouncing the Maneuver of Vietnam and Bad Elements in the Alliance To Send Tens of Thousands of Vietnamese Settlers Back to Cambodia," dated 27 July—read by announcer]

[Text] At the present time, bad elements in the alliance are colluding with the Vietnamese aggressors to send tens of thousands of Vietnamese settlers back to Cambodia.

The spokesman of the Party of Democratic Kampuchea [PDK] firmly denounces and categorically opposes this ill-intentioned maneuver. On this issue, the PDPK spokesman would like to recall the following facts:

1. The Vietnamese aggressors have insolently violated and trampled on the 23 October 1991 Paris agreement by refusing to withdraw all their various aggressor forces from Cambodia. Furthermore, they have used a new form of aggression. They have systematically been sending Vietnamese settlers into Cambodia in increasing numbers, as well as hundreds of truck-loads and boat-loads daily, bringing the number of old and new Vietnamese settlers to over 3 million by early 1993.

The overwhelming majority of these old and new Vietnamese settlers are armed and rely on the existing Vietnam's state authority in Cambodia, which Vietnam set up when it invaded and occupied Cambodia at the end of December 1978 in order to seize fertile land, fish, and timber from the Cambodian people. The latter—who are the owners of the land and for generations have earned their living by working the land, rivers, and lakes—have been killed or chased out. They have

become refugees abroad, particularly along the Thai-Cambodian border, or refugees in their own country leading a very hard life.

2. Allies inside and outside UNTAC [UN Transitional Authority in Cambodia] not only have not checked that all types of Vietnamese aggressor forces have been withdrawn from Cambodia but have also allowed the Vietnamese aggressors to continue committing aggression against Cambodia using the aforementioned people.

As for Cambodian war refugees who have been brought to Cambodia from camps in Thailand, the alliance has not paid any attention whatsoever to these returnees despite the fact that they have been arrested or killed by Vietnam's puppet state authority in Cambodia or have led a harsh life without land and refuge.

3. For this reason, the Cambodian people, who have been robbed by the Vietnamese aggressors and their puppets and lackeys, are furious and have chased out these Vietnamese settlers, particularly those in the Tonle Sap area, back to Vietnam.

4. Malevolent elements in the alliance are now colluding with the Vietnamese aggressors in a maneuver to send these Vietnamese settlers back to the Tonle Sap area while Vietnam continues to send in more Vietnamese settlers into Cambodia. This is a dark maneuver of the Vietnamese aggressors and malevolent elements in the alliance in accordance with their strategy to use Vietnamese aggressor forces to expand and consolidate the state authority of Vietnam's puppets in order to oppose and resist the implementation of the results of the UNTAC-organized election and to oppose and destroy the national forces and the Cambodian people. The alliance is doing this in order to cooperate with Vietnam in killing the Cambodian nation and people and seizing their assets.

The Cambodian nation and people cannot accept such an ill-intentioned maneuver by Vietnam and the bad elements in the alliance.

[Dated] 27 July 1993
[Signed] PDK Spokesman

Sirivut Receives Polish Foreign Ministry Delegation

BK2707102593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 27 Jul 93

[Text] In the morning of 26 July, Prince Norodom Sirivut, minister of foreign affairs and international cooperation of the Provisional National Government of Cambodia [PNGC], received and had a cordial conversation at the Foreign Ministry with His Excellency (Andrzej Hannamyk), deputy foreign minister of the Polish Republic.

Speaking on that occasion, Prince Norodom Sirivut warmly welcomed the Polish deputy foreign minister

and the rest of his delegation. He said that the friendly relations between Cambodia and Poland were time honored and he was grateful for the contribution made by the Polish Government and people to the Cambodian peace process. In light of the change in Poland, the Cambodian minister highly appreciated that Poland has successfully departed socialism and entered liberal democracy.

Prince Norodom Sirivut also informed his guests of the three major difficulties encountered by the current government and appealed to the international community to give it urgent aid. These problems are the lack of budget to pay for the salaries of the military, police, and civil servants; the vocational training and employment for the soon-to-be demobilized soldiers; and the Khmer Rouge, who have not yet agreed with and integrated into the national community. He said, however, that the Khmer Rouge may be allowed to join the national community if they accept the three following conditions: They must hand the territory that they have grabbed and are controlling back to the national government; they must allow themselves to be disarmed; and they must stop carrying out sabotage activities. Prince Sirivut also appealed for more foreign investment in Cambodia.

In his remarks, H.E. (Andrzej Hannamyk) deeply thanked the PNGC and the prince for welcoming the visit of his delegation. He also highly valued the traditional friendly relations between Poland and Cambodia. He then congratulated Prince Norodom Sirivut on his appointment as minister of foreign affairs and international cooperation. He went on to say that the Polish Government is proud to assist Cambodia and said that when the official Government of Cambodia is formed, Poland will immediately recognize it. He added that the Polish Government and people have closely followed the Cambodian situation with the wish of further improving the friendly Polish-Cambodian relations.

Receives German Special Envoy

BK2807082593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 28 Jul 93

[Text] On the afternoon of 27 July, Prince Norodom Sirivut, Cambodian minister of foreign affairs and international cooperation, cordially held talks with His Excellency [H.E.] (Wolfgang Leg), special representative of Germany to Cambodia.

During the talks H.E. (Wolfgang Leg) welcomed and expressed support for the post to which Prince Norodom Sirivut has been appointed. The two sides talked about the previous good relations and cooperation between the two countries. Furthermore, Prince Norodom Sirivut appealed to the German Government for assistance in a number of sectors, such as the training of demobilized combatants, assistance to the Fine Arts University, and the restoration of the Khemarin pavilion.

Prince Norodom Sirivut also recalled the \$22 million for Cambodia's construction and rehabilitation which the German Government pledged at the meeting in Tokyo.

H.E. (Wolfgang Leg) acknowledged the requests with goodwill and pledged to expand and consolidate cooperation for the benefit of the two countries, Germany and Cambodia.

Indonesia

Minister Discusses German Loan for Ship Repair

BK2707093393 Jakarta KOMPAS in Indonesian 10 Jul 93 p 3

[Text] Indonesia has acquired a 400-million Deutsch Mark loan or an equivalent of about 490 billion rupiah from the German government for reparation work on former East German warships. The armada of 39 East German warships was purchased by Indonesia at a cost of U.S. \$12 million. In fact, the vessels are still relatively new and have not been operational since the dissolution of the Soviet Union.

This was stated by Minister of State for Research and Technology, B.J. Habibie when he made a clarification to TVRI [Televisi Republik Indonesia] on Friday 9 July in Bonn, Germany last week. A similar clarification was given by the minister when he attended a workshop session with Parliamentary Commission X in Jakarta on Wednesday 7 July.

The minister explained that there were no defects in the 39 warships purchased by Indonesia and since the dissolution of East Germany, they were left idle.

"The vessels can be repaired in Indonesia and we will carry out some reparation work in Indonesia. However, due to certain specific concerns, reparatory work has to be done in Germany," he said this to TVRI.

The cost of repairs for the 39 warships would add up to an amount of 400 million Deutsch Marks. Such an amount for the repairs could be acquired from a special allocation for vessels because the vessels purchased by Indonesia were not considered as warships. According to Habibie, the vessels were considered as vessels only meant to be used for maritime patrolling along Indonesia's waters.

He said, "For a better understanding, the purchase of the 39 vessels at 20 million marks or an equivalent of U.S.\$12 million included a five-year guarantee and 5,000 tons of ammunition. These vessels are new and have never been used. If repairs need to be done, then it is because they have not been in operation for nearly three years."

The minister explained that the oldest corvette is now seven years old while the newest one is two years old. The oldest landing ship tank, LST [preceding four words in English] is now 12 years old.

"These vessels will be repaired, refurbished by PT PAL [Indonesian Navy Shipyard] according to the required standards of the Indonesian navy," he added.

The minister clarified the good capabilities of the East German vessels to Parliamentary Commission X. The creation of the vessels by Germany had to be good because they would act as a spearhead if war had broken out between East and West Germany. Both East and West Germany realized their need if such a situation arose.

He added, "If the East German armada were made up of 100 vessels, the number in the West German armada would similarly be the same. If West Germany increased its armada strength to 500, then East Germany would also act likewise until there was a balance in the number of vessels by the two nations."

Habibie went on to say that Indonesia's acquisition of the vessels was to see to the country's national defense and which would also provide a greater meaning toward safeguarding Southeast Asia and in ensuring continued economic development in the region.

He added, "In maintaining national defense, I need a strong and reliable armada."

Habibie stated that the cost in purchasing the vessels was far less than that offered by the Netherlands, Britain and France—which amount to about U.S.\$1 billion.

The minister also expressed his confidence concerning the vessels proven battle-worthy capabilities in the Baltic—the situation there is considered similar to that in the Java Sea. The conditions in the Indian Ocean and Pacific are not similar.

The minister's previous efforts finally proved successful in purchasing the vessels.

Malacca Strait Shipping Route Change Possible

BK2707145993 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 27 Jul 93

[Text] Indonesia and Malaysia have agreed to consider the possibility of switching the international navigation route from the Malacca Strait to the Makasar Strait. State Minister for Environment Sarwono Kusumaatmaja said this in Ujung Pandang after he opened a workshop on the environment for journalists based in Sulawesi, Maluku, and Irian Jaya. He said Malaysia fully supports the idea to shift the navigation route of tankers and freighters from the Malacca Strait to the Makasar Strait with a view to reducing shipping density and marine pollution. The minister added if the shift in the navigation route can be achieved within this decade, it will bring about positive impacts on Indonesia's economic development.

Vigilance Urged Against Illegal PRC Immigrants

*BK2707160593 Jakarta Radio Republik Indonesia
Network in Indonesian 1500 GMT 27 Jul 93*

[Text] Director General of Immigration Roni Sikap Sinuraya has called for more vigilance against illegal PRC immigrants because of the growing trend of such immigrants seeking new life in other countries. International syndicates are also believed to be behind their movement.

Speaking to reporters in Jakarta today, the director general of immigration called on people living in remote islands to immediately report to the authorities when they spot suspicious aliens in the islands. He added that the authorities had paid special attention to the recent arrest of 156 Chinese illegal immigrants from Fujian and Guangzhou at (Makai) island in Riau province because the incident was not only an immigration offense, but also a violation of the country's sovereignty. After investigations by the authorities, it was found that a certain syndicate was behind the illegal immigrants' journey, while the modus operandi was similar to that which had dispatched illegal Chinese immigrants to the United States. The 156 illegal Chinese immigrants were deported on 21 July aboard two Hercules airplanes belonging to the Indonesian Air Force.

East Timor Governor on Benefits of Integration

*BK2507111993 Jakarta THE JAKARTA POST in
English 10 Jul 93 p 2*

[By Yacob J. Herin]

[Text] Dili, East Timor (JP) —Seventeen years after joining Indonesia, people in East Timor have not fully grasped the essence of integration Governor Abilio Jose Osorio Soares says.

"Most people, including myself as a representative of the Indonesian Government in East Timor, have not fully lived up to the aspirations of the people in seeking integration 17 years ago," Abilio told THE JAKARTA POST in an interview.

"If we had fully embodied the aims and objectives of integration, I don't think we would have had the problems and upheavals that we have experienced over the last 17 years."

East Timorese will mark the 17th anniversary of their integration with Indonesia next Saturday on July 17.

The majority of East Timorese voted in a referendum 17 years ago to join Indonesia and end nearly one year of bloody civil war that erupted after the Portuguese colonial administration withdrew from the territory.

Abilio underlined the statement made by President Suharto during his meeting with U.S. President Bill Clinton earlier this week when he said Indonesia

accepted the wish of the majority of East Timorese to integrate in 1976 out of concern for human rights.

"All the political factions then, be they Apodeti [Democratic Popular Association of Timor], UDT [Democratic Union of Timor] or FRETILIN [Revolutionary Front for an Independent East Timor], were guilty of human rights violations, because we were killing each other during the civil war," Abilio said, referring to the three major political groupings involved in the civil war.

Out of the three, FRETILIN boycotted the referendum and then launched a guerrilla war from the jungles and mountains to fight for a separate East Timor state. The military now considers FRETILIN a spent force with the arrest of its top leaders which began last November.

"We turned to Indonesia for help and at the same time established human rights standards to mediate all the warring factions," Abilio said.

Suharto's response to Clinton "is accurate and I fully agree with it," he added.

In connection with the anniversary of the integration, Abilio appealed to the people in East Timor to reflect on those days 17 years ago before the territory joined Indonesia.

"Reflect on the civil war and on what we have achieved now, which is visible before our eyes. We have to reflect on what we have done over this time," he said.

The main task now is to convince people of the benefits of integration, he said.

Abilio said he did not see any problems in the relations between the provincial government, the local Roman Catholic Church and the military, the three forces that count most in East Timor.

These three could jointly work to make all East Timorese "become 100 percent Indonesian citizens, 100 percent Roman Catholics," he said.

Roman Catholicism is the predominant religion in East Timor.

President Suharto in his statement to Clinton reportedly said that Indonesia, in 1976, did not have any desire to annex East Timor.

The eventual integration has added more of burden to the government which has been responsible for developing East Timor as well as the other provinces in the archipelago, Suharto said.

In the 17 years of integration, Indonesia injected large sums of money to develop East Timor which has been largely neglected during the four centuries of Portuguese colonization. Despite the progress however, East Timor still ranks the poorest of Indonesia's 27 provinces.

Abilio said all villages in East Timor are poor.

"I'd be lying to my superiors if I said that some villages are already well endowed. We're still relying almost entirely on the central government for development funds."

He proposed that to help East Timorese entrepreneurs, all central and provincial government agencies set aside some five percent of their budgets for small scale enterprises.

All regents in East Timor have also been instructed to give their wholehearted support to local entrepreneurs in their respective areas, he said.

He noted that most of the local businesses still largely depend on government contracts.

Laos

Cambodia's Ranariddh, Hun Sen Arrive for Visit

BK2807055393 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 28 Jul 93

[Text] In response to the invitation of His Excellency [H.E.] Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], at 1000 today, the high-level delegation of the Provisional National Government of Cambodia [PNGC], headed by Prince Kromloun Norodom Ranariddh and H.E. Hun Sen, cochairmen of the PNGC, arrived in the capital, Vientiane, by special plane to pay an official friendship visit to the LPDR.

Welcoming the high-level PNGC delegation at the airport were H.E. Khamtai Siphandon, prime minister; H.E. Khamphoui Keoboulapha, deputy prime minister and chairman of the Committee for Planning and Cooperation; H.E. Phao Bounnaphon, minister and head of the Prime Minister's Office; H.E. Somsavat Lengsavat, foreign affairs minister; ministers and deputy ministers; the Cambodian ambassador extraordinary and plenipotentiary to Laos; members of the diplomatic corps; and representatives of the international organizations in Laos.

At 1000, the Cambodian special plane with the delegation on board touched down at Wattai airport. After the delegation disembarked, our leaders shook hands with the visitors in an atmosphere of intimate friendship. Shortly afterward, the Cambodian and Lao national anthems were played by the Lao People's Army [LPA] band. After that, Prince Kromloun Norodom Ranariddh and H.E. Hun Sen, cochairmen of the PNGC, reviewed the LPA honor guard. [passage omitted]

Subsequently, the high-level PNGC delegates shook hands with the waiting ministers, deputy ministers, members of the diplomatic corps, representatives of the international organizations in Laos, together with senior military, police, and civil servant officers who

stood in line to personally welcome the visitors. A motorcade then led the visitors to the Government Guest House.

At 1100, the high-level PNGC delegation laid a wreath at the Monument of Unknown Soldiers in Vientiane.

Editorial Welcomes Visit

BK2807051993 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Jul 93

[PASASON editorial: "Wholeheartedly Welcome a High-level Delegation Of The Provisional National Government of Cambodia"—dated 28 July]

[Text] Today, Vientiane residents and the Lao people throughout the country are very happy to have an opportunity to welcome an official friendship visit to the Lao People's Democratic Republic [LPDR] by a high-level delegation of the Provisional National Government of Cambodia led by Prince Kromloun Norodom Ranariddh and His Excellency Hun Sen, cochairmen of the Provisional National Government of Cambodia. This visit to the LPDR of the high-level delegation of the Provisional National Government of Cambodia, the government which was formed following the election of the Constituent Assembly late last May, clearly reflects the profound spirit of friendship and pure solidarity as always maintained by the peoples of Laos and Cambodia. The Lao Government and people have all along followed up, with sincere concern, the situation in Cambodia—a neighboring country.

Cambodia is a nation with industrious and heroic traditions. It built an amazing construction, namely Angkor Wat, for the world people during the time of the Kingdom of Cambodia. It is regrettable that in a certain period of the age-old history of Cambodia, a dark, difficult situation occurred in the country. The situation brought about upheaval in the life of the Cambodian people and created obstacles and difficulties for their cause of national construction and development. Nevertheless, with the determination of the various factions in the country and with the help of the world community, the Cambodian people have successfully marched forward, with firm steps, to achieve national accord on the path of turning Cambodia into an independent, peaceful, neutral, and nonaligned country that has maintained friendly relations with various countries, particularly neighboring countries, including the LPDR.

The relations of friendship, solidarity, and cooperation between the Lao and Cambodian peoples have been established and maintained on the basis of historic traditions since ancient times. They have been left to the revolutionary generation by the ancestors of the two countries. The Lao Government and people have always maintained sincere, resolute intentions to continue to promote the aforesaid traditionally good relations and to ensure continuous development and prosperity for the benefit of the Lao and Cambodian peoples who have

enjoyed the similar specific points in many fields, in particular in the cultural, traditional, and religious fields.

On this glorious occasion, the Lao people would like to extend to the fraternal Cambodian people best wishes for greater success in building new life and building Cambodia, with Prince Norodom Sihanouk as head of state, a prosperous country forever. The Lao people also wish the cochairmen of the provisional national government glorious success in the visit to the LPDR on this occasion.

Nouhak Phoumsavan Greets DPRK's Kim Il-song

BK2707135593 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 27 Jul 93

[Message of greetings from Comrade Nouhak Phoumsavan, member of the party Central Committee Political Bureau and president of the Lao People's Democratic Republic, to Comrade Kim Il-song, president of the DPRK, on the 40th anniversary of the victory of the national liberation war of the Korean people—dated 27 July]

[Text] The victory won by the Korean army and people in the national liberation war fought from 1950 to 1953 under the leadership of the Workers' Party of Korea headed by you, Comrade Kim Il-song, was a historic victory of the heroic Korean people in fighting against external aggression. It also constituted an important factor for safeguarding and enhancing the fruits of the Korean revolution.

Over the past 40 years under the clear-sighted and wise leadership of the comrade, the DPRK has been turned into a country with a developed economy and strong national defense forces while the people's material and spiritual life has been incessantly improved. The role of the DPRK has become more and more prominent in the international arena. The great victory won by the Korean people has become a strong contribution to guaranteeing peace and stability in the region and in the world. Under the (?prevailing conditions), I firmly believe that the traditional relations of friendship, solidarity, and cooperation between Laos and Korea will be continually developed and strengthened for the common interests of our two peoples.

On this occasion, I wish you, comrade, good health and successes in your leadership for the building of the country and peaceful reunification of Korea.

Journalists' Group Returns From Thailand

BK2707075793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Jul 93

[Text] On 25 July, the delegation of the Lao Journalists Association [LJA] led by Bouaban Volakhoun, deputy minister of information and culture and concurrently chairman of the LJA, returned home after completing a week-long visit to Thailand at the invitation of the

Reporters Association of Thailand [RAT]. While in Thailand, the LJA delegation, made up of 11 members representing various fields within the Lao mass media, called on Chuan Likphai, prime minister of the Kingdom of Thailand, at Government House and visited and exchanged experiences with staff members of offices of newspapers, radio and television stations, and prominent business firms in Bangkok.

In addition, the team of Lao journalists took excursions to Chiang Rai and Chon Buri Provinces. At each place, they were accorded a warm and brotherly welcome by their hosts.

During the visit, our delegation also met with the RAT executive committee led by its president, Pramot Fai-uppara. The Lao and Thai delegations signed a memorandum on coordinating and exchanging news and information, as well as on providing assistance and professional training courses to the Lao mass media.

Border Delegation Holds Meeting in Hanoi

BK2707043493 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Jul 93

[Text] The border delegations of Laos and Vietnam held their third meeting in Hanoi on 20 and 25 July. The Lao delegation was led by Phongsavat Boupha, deputy minister of foreign affairs, while the Vietnamese delegation was headed by Le Minh Nhia, head of the Vietnamese border committee.

The discussion was based on the main concept of the border regulations agreement signed by the two countries on 1 March 1990. The delegations informed one another of their implementation of the agreement on border regulations and the minutes of the second meeting of the Lao and Vietnamese border delegations in July 1992.

The delegations assessed that ties between the border organizations and localities of both countries have incessantly and smoothly improved and expanded. Both sides exerted efforts to solve many problems relating to border regulations and activities. They concurred that they would encourage their local officials to control travel by people who live and work along the border, to repatriate those who enter a country without permission, and to suppress the movement of bad elements along the border in accordance with the laws of the two countries.

Moreover, the Lao and Vietnamese border delegations also sincerely and honestly exchanged views on other issues related to the implementation of the agreement on border regulations, in the spirit of special solidarity, brotherly friendship, and good understanding.

On this occasion, the heads of the two delegations signed the minutes of the third meeting, which they will report to their respective governments.

Diplomatic Relations Established With Brunei*BK2707064793 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 27 Jul 93*

["Joint Statement" on the establishment of diplomatic relations between the Governments of the Lao People's Democratic Republic and Brunei Darussalam on 27 July—announcer read]

[Text] In response to the interests and desires of the peoples of the two countries, the Government of the Lao People's Democratic Republic and the Government of the Sultan of the State of Brunei Darussalam have agreed to establish diplomatic relations at the ambassadorial level from 27 July 1993. The two governments have concurred to promote and expand bilateral relations of friendship and cooperation on the basis of the five principles of peaceful coexistence and the principles stated in the United Nations Charter.

Information, Culture Minister Returns From SRV*BK2807053793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Jul 93*

[Text] A delegation of the Information and Culture Ministry of the Lao People's Democratic Republic [LPDR] led by Information and Culture Minister Osakan Thammatheva returned to Vientiane yesterday after ending a seven-day friendship visit to the SRV.

During the visit, the LPDR delegation met and exchanged views and experiences with a delegation of the Vietnamese side on the implementation of the line and policy in the information and cultural sphere and on the application of the information work regarding the marketing mechanism in accordance with the restructuring. The two sides also exchanged experiences on the management and implementation of rules and regulations and various laws on the information and cultural work. The Lao information and cultural delegation specifically visited and worked with various SRV cultural and information services. It also visited Haiphong City in Quang Ninh Province.

Houai Sai, PRC District in Hydropower Cooperation*BK2707072493 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Jul 93*

[Text] In late July in Bokeo Province, Khamtoun Khondahak, chief of Houai Sai District, Bokeo Province, and (Zhong), chief of La District, Yunnan Province, the People's Republic of China, signed a cooperation memorandum for the survey of a small hydroelectric generation project in Houai Sai District.

The memorandum stipulates that the Chinese will send a team of technicians to Houai Sai to survey and design the project from October 1993 to April 1994. The Chinese will initially fund the survey and design. Later,

the winner of the bid to construct the project will have to compensate the Chinese for their initial expense.

In addition, the administrative committees of the two districts also discussed cooperation in agriculture and livestock.

Philippines**Senate Probes Deaths of Workers in Japan***OW2707144193 Tokyo KYODO in English 1225 GMT 27 Jul 93*

[Text] Manila, July 27 KYODO—A Senate committee on Tuesday [27 July] began an inquiry into the deaths of Filipino workers in Japan as part of its efforts to formulate laws that would protect the country's overseas contract workers. In a hearing conducted by the Senate's Committee on Women and Family Relations, a Department of Foreign Affairs (DFA) official said 39 Filipino workers died in Japan this year, one from gas poisoning.

Vesta Cuyugan, assistant secretary at the DFA, said there were 36 deaths in 1991 and 45 in 1992, most of them male workers. The causes of death included suicide, murder, illness, and car accidents, she said.

Sen. Dominique Coseteng asked for the inquiry last month following reports that three women have died in Japan "under violent and questionable circumstances" since 1991. Coseteng said the inquiry was needed to assist legislators in formulating laws which will ensure the well-being of overseas contract workers.

Ramos Approves Further Levy on Oil Imports*HK2707035293 Manila MANILA BULLETIN in English 27 Jul 93 p B-1*

[Report by Fil C. Sionil]

[Text] President Ramos has signed the executive order imposing a P1 [Philippine peso] per liter additional import duty on oil and petroleum products.

Finance Secretary Ernest Leung told reporters that the still unnumbered EO [Executive Order], which increased special duties on crude oil and petroleum products, was signed by the President last Friday, three days prior to the resumption of the regular session of the 9th Congress yesterday.

The President's action, aimed at beefing up the government's fiscal position, is allowed without prior consultation with Congress under the "flexible clause" of the National Tariff Code.

Section 401 of the Tariff Code states that the President, upon recommendation of the National Economic Development Authority (NEDA), in the interest of national economy, general welfare and/or security ... is empowered to increase, reduce or remove, existing protective rates of import duty.

Last month, the economic managers, including the NEDA Director-General Ceilito Habito recommended the imposition of the oil import duty.

The rate increase/decrease/removal of the import duty could be imposed to any level in one or several stages, the Tariff Code also states.

Leung said that the levy on a conservative estimate is expected to bring the government some P10 billion in additional revenues based on the volume of oil imports last year.

This level would even reach a high of P15 billion annually or some P1.25 billion incremental revenue collections per month.

Leung said that the additional duty will be effective or will be imposed during the first week of September, some 30 days after the publication of the presidential fiat before the end of the month.

However, this level will be reduced to P10.8 billion yearly as oil purchases of cash-strapped National Power Corporation [Napocor].

Leung explained that for the first few months of the imposition of the import duty, consumers will not bear the brunt of the new tax as the corresponding increase in the prices of petroleum products will be first absorbed by the Oil Price Stabilization Fund [OPSF].

It is only then that the consumers will have to pay higher prices in gasoline once the OPSF has been depleted.

The imposition of the new tax measure was designed to shore up government's revenue position and support its expenditures for critical development programs and projects.

Earlier the finance department admitted that the revenues derived from the new duty will finance the "needed infrastructure projects" amounting to P10.8 billion annually, particularly the completion of road construction, environmental protection and equity contributions to Napocor.

As of last may, actual OPSF cash surplus amounted to P7.6 billion. However, this is expected to go down to P5.7 billion with the claims from oil companies amounting to P1.9 billion.

The government will start charging the increase in duties to the OPSF starting January 1, 1994 as it would take 120 days for oil firms to process and file their claims.

Consumers will start taking the brunt of additional fuel cost by the second half of 1994.

Thailand

Officials Optimistic U.S. Not To Impose Sanctions

BK2807023793 Bangkok BANGKOK POST in English
28 Jul 93 p 26

[Text] After the first day of bilateral talks in Washington, Thailand stands a good chance of being dropped from the US list of trading partners under immediate threat of sanctions for alleged unfair trade practices, a Thai negotiator said yesterday.

Speaking in a telephone interview, the official assessed Thailand's chances of being dropped from the so-called Priority Foreign Country list as "50:50". Other members of the Thai delegation were even more upbeat, he said.

The delegation, led by Deputy Prime Minister Suphachai Panitchapak, believed before it left Bangkok at the weekend that Washington would not impose sanctions. "If they do, they are power-mad," the official added.

The basis of yesterday's optimism was Monday's meeting at the senior officials' level between the Thai delegation led by Commerce Ministry Permanent Secretary Phachara Itsarasena and US officials led by Assistant Trade Representative Robert Cassidy.

The Thai official said that although some doubts remained about details of the copyright bill the Thai government is submitting to Parliament, these were minor issues requiring clarification rather than amendment.

He said the Americans were particularly pleased by measures clarifying how the pharmaceutical patent law will be administered and the latest Thai offer of up to five years of backdated effective protection for drugs in the pipeline when the new law came into effect last September.

Although the five years of pipeline protection falls short of the seven years sought by the Americans, US officials reacted favourably, the Thai official said.

The main topics discussed Monday were the Thai crack-down on tape piracy since April and the move to set up an intellectual property court.

Late last night, Bangkok time, an inter-agency US committee was scheduled to discuss the talks. Normally the committee recommends to the US Trade Representative, who is also on the committee, what action to take against a country under investigation. Legally, Trade Representative Mickey Kantor has full power to decide, but he takes the opinions of other departments into account.

Mr Kantor is due to make an announcement this week on whether to impose sanctions against Thailand, keep

Thailand on the Priority Foreign Country list, or drop Thailand from the list. He is due to meet Dr Suphachai later today.

While officials were negotiating on Monday, Dr Suphachai had a separate meeting with Ernest Hollings, chairman of the Senate commerce committee.

According to a member of Dr Suphachai's party, Sen Hollings sought clarification on interpretation of the copyright bill, particularly the ministerial regulations that would be issued. The new bill would bring computer software specifically under copyright law.

Country's Participation in APEC Forum Urged

BK2807033793 Bangkok THE NATION in English 28 Jul 93 p A6

[By Kawi Chongkitthawon: "An excellent opportunity for Chuan in Seattle"]

[Text] Good reasons abound on why Thailand should accept President Bill Clinton's invitation to the Apec Leaders Economic Conference among countries of the Asia-Pacific Economic Cooperation (Apec) forum.

Since it was proposed in early July in Tokyo during the G-7 meeting, Thai authorities have extensively commented on Thailand's position, most of them displaying fear of the unknown. Foreign Minister Prasong Sunsiri did not say much either at the Asean meeting in Singapore.

In Tokyo, Clinton said that the US would continue to call for a reduction of trade barriers and added that Apec was "the most promising economic forum we have for debating these issues in the new Pacific Community." This comment scared the Thais and caused a great deal of worry in Bangkok.

The Thais apparently do not trust the US for fear that Washington's ulterior motive is to turn the Apec into a negotiating forum on trade. That concern alone is enough to put off Thailand in the light of Clinton's invitation.

Thailand indeed has overreacted to overtures from the US. This however is understandable because Washington has been at Bangkok's throat for several years—threatening to cancel trade privileges given to Thai products exported to the US, which comprise about 2 per cent of the country's total exports. At the moment, Deputy Prime Minister Suphachai Panitchapak is in the US to work on Thai-US trade relations including the amendment to the Treaty of Amity between the two countries.

As of now, Apec founding members are split between two camps: the supporters and opposers. Within Asean, it is Malaysia up against the rest of Asean, with Thailand undecided.

Despite their respective position, most Asean countries have been diplomatic in their approach towards the Apec summit. Indonesia, as chairman of the Non-Aligned Movement, justifies its support saying that it could represent the South in the dialogue with the North, which Jakarta is eager to perform.

Indonesia's stand could also be seen as appeasing the United States. Washington has always strongly condemned Jakarta's takeover of East Timor and the 1991 Dili massacre.

Indeed, it is very rare that Asean did not achieve a consensus on a key issue such as this. Asean senior officials have recommended that each Asean country adopt its own position that would deem to be beneficial to them.

In the case of China—which joined Apec along with Taiwan and Hong Kong in 1991—Beijing has made clear that it would not accept both Taiwan's and Hong Kong's representatives at the meeting. Beijing considers Taiwan and Hong Kong as part of its territory. If this problem is resolved, China will definitely go to Seattle.

Other industrialized countries within Apec do support the Clinton's idea [as published] to have a leadership conference right after the Apec's ministerial meeting in Seattle during the third week of November to help accelerate the group's work.

Australia, which earlier put forward the Apec summit idea together with the US has lobbied hard at the post ministerial meeting to ensure that all Asean countries attend the meeting. They welcomed Asean's consensus on the East Asian Economic Caucus, now that it will be part of Apec. For the time being, everybody involved is happy of the progress.

Taking part on the proposed summit would be good for the Thai government, especially for Prime Minister Chuan Likphai, who needs international exposure more than any regional leader. It would allow Chuan to meet all important leaders of Asia-Pacific countries, whom the premier can get acquainted with. These are top-level persons who would make policies that could affect Thailand in the future. Furthermore, Chuan would definitely be able to meet Clinton personally at the summit forum. The Thai premier has expressed his desire to meet and hold talks with the US president when he visits New York in October to address the UN General Assembly. So far, there has been no positive response from the White House.

Although Thai-US relations have been transformed from special ties during the past four decades to a more business-like friendship recently, the importance of the US to Thailand is still there. In recent years, economic issues have been key factors in determining the state of their bilateral ties. Joining the summit would illustrate Thailand's friendship toward the US.

Finally, if under any circumstance should Thailand decide not to go, it will join Malaysia, which reiterated its stand that it would not attend. Subsequently, Thailand and Malaysia will be put under the same category, the so-called anti-West bloc. In that case it will be bad publicity for Thailand.

Although Malaysian Prime Minister Mahathir Mohamed is well known for his anti-West rhetorics, so far he has been able to get away with his comments. It would be disastrous for Thailand and Chuan, to be part of this anti-West camp. Frankly, Chuan has no ability to talk himself out of difficult situations like Mahathir. Furthermore, it has never been in Thailand's diplomacy anyway to offend the US.

Despite the ongoing hoolabaloo within Asean, in the end almost all Apec members would attend the informal summit anyway.

Thailand has more to win than to lose by going to Seattle because the Apec summit is driven by political considerations rather than an economic one. After all, Thailand is an important country, with a democratic government and fast-growing economy, in the Asia-Pacific.

Last but not least, in order to win Thailand's support, all the US has to do is to assure Suphachai that Washington has never taken Thailand for granted.

Role in Easing Regional Tensions Discussed

BK2807025793 Bangkok THE NATION in English 28 Jul 93 p A6

[Editorial: "Window of opportunity for Thailand in regional security"]

[Text] Thailand will have an important role to play in the newly launched initiative on regional security, officially known as the Asean Regional Forum or ARF, that will include major Asia-Pacific countries.

As chairman of the Asean Standing Committee, Thailand will act as the spokesman for the six-member regional grouping. It will also host the next Asean meeting and more importantly, the country will also be the venue of the fifth Asean Summit.

Needless to say, next year will be a crucial year for Thailand's foreign policy. The country needs to take a more fresh look at its diplomacy towards neighbouring countries and the region as a whole.

Foreign Minister Prasong Sunsiri said that Thailand would invite Burma and Cambodia to attend the next Asean meeting so that all Southeast Asian countries would be able to share their views on security with the major global powers who will also be invited.

This task will not be easy. Within the immediate region, Thailand has to invite Burma, which is still considered a pariah by the world community. At the Singapore

meeting, Burma was left out and it became the only Southeast Asian nation to be ostracized.

In light of next year's Asean meeting, Thailand should now seize the window of opportunity to influence, short of interfering, the affairs in Burma to encourage the ruling military junta to accept the opposition voice and also to release Aung San Suu Kyi. Suu Kyi, the leader of the National League for Democracy, is in her fifth year of detention by the Rangoon junta.

If Bangkok fails to do this, Thailand's credibility would be tarnished.

Thailand's constructive engagement with the Burmese military has not yeilded the expected results and because of this it time to ponder on new approaches that will take into consideration the ethnic minority groups as well as Burmese living in exile since 1988.

In the case of Cambodia, Thailand's role on the whole is a prominent one. Despite years of association with the Khmer Rouge, Thailand has cooperated with the United Nations and the international community in ensuring that peace will prevail in the Indochinese country.

The stability and political future of Burma and Cambodia is very important to the region as a whole. Frankly, what's the use of talking about regional security when 43 million Burmese live under political oppression or there's an overwhelming possibility of the Khmer Rouge destabilizing post-election Cambodia?

In the Asia-Pacific region, Thailand has maintained good ties with almost all major powers, particularly the US, Japan and China. The renewed engagement of American forces in the region, both on a bilateral and multilateral basis, is a welcome move. Thailand is in the process of trying to reinvigorate Thai-US security ties that could lead to a broader participation in the framework by Asean. Thailand has helped Japan to find its role in the Cambodian peace settlement and now Tokyo continues to have a high profile in regional affairs. This will not be diminished regardless of who would administer Japan in the next government.

China's future role in the region, bearing the fact that Asean member states are wary of Beijing's increasing militarization, will feature prominently in the first round of ARF discussions.

Thailand can use its good ties with China, to draw a commitment from Beijing that it would use peaceful methods in resolving any crisis that might affect regional stability.

Thailand must have a vision that would serve the country towards 21st century, and the Asean Regional Forum is a first step in that direction.

Country To Repatriate Illegal Workers in Japan*BK2707033993 Bangkok BANGKOK POST in English
27 Jul 93 p 3*

[Text] THAILAND plans to repatriate 100,000 illegal workers from Japan before Tokyo launches its crack-down against them next month, Foreign Ministry spokesman Sakthip Krairoek announced yesterday. The Foreign Ministry is collaborating with other state agencies to return all illegal immigrants from Japan before they face deportation, said Mr Sakthip.

The repatriation plan in Osaka alone requires about 1.8 million baht for emergency shelter, food and health care for workers, according to estimates by the Thai Consulate there.

Mr Sakthip said the consulate also sought a fund of 75,000 baht to help finance charity organisation in Osaka which work together with the consulate in the operation. The request was made in a report to the Foreign Ministry from its office in Osaka yesterday.

About 18,000 of the 20,000 Thais in Osaka are illegal workers, most of them women and labourers.

Japanese immigration authorities have already deported 637 illegal immigrants working in Osaka and surrounding areas this year, up from 634 in 1992, according to the consulate report.

Most of illegal immigrants in Japan are Thais and Filipinos.

Government Consults Tokyo*OW2707143993 Tokyo KYODO in English 1221 GMT
27 Jul 93*

[Text] Bangkok, July 27 KYODO—The Thai Government is having consultations with Tokyo about the best way to repatriate some 100,000 Thais working illegally in Japan, Thai Deputy Foreign Minister Surin Pitsuwan said Tuesday [27 July].

The Thai Government's effort came in response to a Japanese crackdown to be launched in August on the sex trade and illegal immigrants, mostly Thais and Filipinos. A Foreign Ministry spokesman said there are about 100,000 Thais living illegally in Japan and that 75 percent are women, who are mostly working as prostitutes. The estimated cost of repatriating them would be between 120 and 200 million dollars, the spokesman said. The bulk of the cost would be in air fares. Another source said that Thailand wants the Japanese Government to foot half the bill since it is Tokyo that is cracking down on illegal workers.

A high-ranking foreign ministry delegation started talks on Tuesday with the Japanese embassy. If necessary, a Thai delegation will travel to Tokyo, the source said. Thailand also wants Japan to waive the use of jail as

punishment for all Thais facing arrest, and secure reliable measures to protect Thai women from harassment by their Japanese gangster bosses, the source said.

New Saudi Envoy To Be at Charge Level*BK2407114093 Bangkok Radio Thailand Network in
Thai 0530 GMT 24 Jul 93*

[Text] Foreign Ministry Spokesman Sakthip Krairoek reported that Mr. Khujah, charge d'affaires who was acting as ambassador of Saudi Arabia to Thailand, has terminated his tour of duty and has left Thailand on 19 July. According to an unofficial report from the Thai embassy in Riyadh, a new charge d'affaires will be appointed by Saudi Arabia to replace Mr. Khujah. His name is Mr. (Bakh). He is currently deputy director general of the Asian Affairs Department. The spokesman said the appointment reflects Saudi Arabia's desire to promote ties with Thailand. Although it has not appointed an envoy at the ambassadorial level, Saudi Arabia attaches significance to strengthening relations with Thailand, he said.

Bankers Worry Over Infrastructure Projects*BK2407021993 Bangkok BANGKOK POST in English
24 Jul 93 p 15*

[Text] Major bankers are worried that the political approach of the Chuan Government in dealing with big infrastructure projects has eroded foreign investors' confidence in Thailand.

Several bankers, who asked not to be named, said they feared that no foreigners would be willing to invest in major projects in Thailand.

They said the Government, for political reasons, has not honoured contracts state agencies signed with companies.

The first controversy is the Second-Stage Expressway System (SES) being developed by Bangkok Expressway Co Ltd (BECL).

Bankers said the Government refused to allow the Expressway and Rapid Transit Authority of Thailand to raise the toll to 30 baht as stated in its agreement with the BECL because it was afraid of the public's reaction.

"Although the latest development shows that the Government is likely to allow the toll to be raised to 30 baht, its refusal to honour the agreement at the beginning has shaken foreign investors' confidence," one of the bankers said.

They said creditor banks of BECL have suspended their loans to the company to develop the project and they refused to extend more loans to the company unless the Government made it clear it would honour the agreement by raising the toll to 30 baht as stated in the agreement.

The bankers also disagreed with the Government's decision to order textile manufacturing firms to reinstate laid-off workers. But they declined to discuss the alternative unemployment of several hundred workers who were laid off.

"I would like to discuss the security of doing business in Thailand. A business has to try to reduce its costs to cut its losses. But it cannot do so because the Government does not allow it. Who dares to invest in Thailand?" a banker said.

Several foreign investors, in particular Japanese, have asked why the Thai Government intervened in private business, the bankers said.

The uncertainty of Tanayong's electric train project because of opposition to the project's using part of Lumpini Park for a depot has fuelled the fire, they said.

"Despite the Bangkok Metropolitan Administration's having signed the contract with Bangkok Transit System Co to use part of the park, the Chuan Government has not shown its support for the BMA to honour its contract with Tanayong, causing uncertainty for the project. This has worsened the situation. Foreign investors lost more confidence in Thailand," another banker said.

He said the Government should explain to the public that the mass transit system was the solution to the traffic congestion.

However, some parties have taken this chance to gain public popularity by opposing the project, he said. Political intervention would delay the project "and if Tanayong was forced to find a new location for its train depot, the project would have to restart".

The relocation of the depot would benefit some political parties "but it will be Bangkokians as a whole who will suffer".

Work Order Begins 'Showdown' With Government

BK2407050393 Bangkok THE NATION in English 24 Jul 93 p A4

[By Peter Christie]

[Text] A ministerial order effectively demanding that textile companies rehire hundreds of laid-off workers may have set the stage for a showdown between an angry business community and the government here.

Just days after Interior Minister General Chawalit Yongchaiyut ended a 17-day textile worker strike and five days of demonstrations in front of Government House by demanding cooperation from the seven companies to unconditionally reinstate their laid-off employees, some of the firms have refused to obey the order, and some business leaders have accused the government of sending the wrong signal to industry and foreign investors alike.

"The government is trying to persuade other people to invest in Thailand ... I, personally, would not consider expanding into Thailand now," said Yongkiat Thirachaimongkhon, finance managing director of Thai Durable Textile Co, two days after his company was forced to rehire 238 workers.

"I am very, very disappointed," said Chirayut Wasurat, executive director of the Board of Trade of Thailand and director of the Thai Chamber of Commerce. "It is a very, very bad sign. We cannot produce the goods for the domestic market and we are not able to attract the foreign investors that other countries can attract."

Chirayut, also director of the Joint Private Sector Committee, said his committee would soon to bring the concerns of the business community directly to Prime Minister Chuan Likphai.

"(The government) is not being responsible. What (the workers) did was against the law," Chirayut said.

The dispute came to national attention when workers protested a June decision by Thai Durable, one of Thailand's largest textile manufacturers, to lay off 376 employees—including six union leaders—in order to upgrade and automate its weaving unit. On July 1, the 2,265 union members from among the 3,460 plant workers occupied and closed down the company's Phra Pradaeng factory.

While the company said the action was "illegal" and called on the government to order striking employees back to work, union members, backed by workers from six other factories that had recently announced lay-offs, staged a five-day demonstration outside Government House. At one point, the number of protesters reportedly swelled to more than 10,000.

Late last week, the Interior Ministry ended the protest and the strike by ordering all seven companies to rehire unconditionally the laid-off workers and by setting up a tripartite committee of labour, business and government leaders to try to sort out the issue.

But, so far, the government's efforts have only angered the business community and done little to help the workers. Only three of the seven companies have agreed to take back their laid-off employees and Thai Durable Textile has vowed to get rid of its 238 excess workforce—138 already accepted the company's early retirement package—by Aug 15, even if it means more layoffs.

"So far as I know, there is not any law on earth that says a company cannot lay off any workers," said Yongyut [not further identified]. "The government should not just listen to union workers all the time. What the union leaders are saying is that the company can't lay off any workers at all. We think that's unfair to all industry."

Meanwhile, the new tripartite committee which has been meeting all week has yet to find any solutions, and the government appears unclear on its next move in the matter.

"We are still in meetings," said Wachana Inthuwong, a spokesperson for Labour Department Director Prasong Rananan. "We can't tell you what will happen if the companies don't agree to reinstate workers."

The demonstrations and the labour dispute have come at a delicate time. The eyes of the international community have been sharply focused on working conditions in the country's manufacturing industry ever since a fire at the Kader doll factory killed almost 200 workers in May. Another blaze at a textile plant near here claimed 10 more lives in June.

Thai Durable launched a civil suit against the textile union demanding Bt[baht]104 million in lost revenue and damages in an effort to prevent further walk outs by the union while the company continues to pare down its staff. "If everything turns out fine, then of course, we will drop all the charges," Yongyut said, although an agreement is reported to have been reached whereby the suit has been withdrawn for the time being at least.

Yongyut insisted there was no way around the lay-offs if the company wanted to continue to compete on the global market. New textile-producing countries such as Vietnam, China and Indonesia are proving to be formidable rivals since their labour costs are considerably lower.

In the first quarter of this year, Thai Durable lost 49 million baht compared to a profit of 2.7 million baht for 1992 and 80 million baht profit for the year before that, Yongyut said.

Warakon Samakoset, dean of Thammasat University, said the situation being faced by textile manufacturers will become more frequent for Thai manufacturers in the near future. The rising economic strength of Thailand's Asian neighbours and the rising cost of labour here will keep Thai industries scrambling to keep up. That means more lay-offs and more labour disputes.

The labour tension has also been exacerbated in recent years since the former Anan administration lowered the import tax on capital equipment to five per cent, making automation in some industrial plants more affordable.

"I think labour is being shocked by all this, but as time goes by, these situations will become more frequent," Warakon said.

While Warakon agreed that the government's order may send the wrong signal to industry and "uncertain" foreign investors, he said the measure was just a way of buying time and dissipating the demonstration in front of Government House.

"I am quite sure the government knows this is wrong in the long term," he said. "If I were a foreign investor, I would not be too nervous. Of course, it is not a good sign, but I doubt if it will happen again."

"The market economy concept here is freewheeling. I don't think businessmen and some cabinet members would let it (a similar order happen again)."

Despite winning the order, the labour union movement has still not recovered its strength after the 1991-coup military junta outlawed unions in the public sector. Labour, he said, is now too divided and too influenced by military and business leaders to be a force of concern in the country.

While elated by the government order, labour leaders were expressing similar misgivings earlier this week.

"We have not definitely won the battle," Suphawan Buakling, Thai Durable union leader said.

Juridical Council: Seized Assets Belong to State

BK2607024593 Bangkok THE NATION in English 26 Jul 93 p A1

[Excerpt] THE Juridical Council has ruled that the seized assets of the 10 "unusually rich" politicians legally belong to the state, giving the government grounds to fight criticism on how it has handled the matter.

The opinion by the government's advisory board on legal affairs is not legally binding, but it boosts the government's credibility in the assets controversy.

The 10 politicians, including Montri Phongphanit of the governing coalition's Social Action Party, have accused the government of "foot dragging" over the release of their assets following a ruling by the Supreme Court which invalidated the seizures.

Wissanu Krua-ngam, deputy secretary-general of the Cabinet, told THE NATION yesterday the Juridical Council was to submit its opinion to the Cabinet in time for its weekly meeting tomorrow.

A government House source said Deputy Prime Minister Banyat Banthaththan had asked the advisory board to interpret whether the seized assets had become state property.

The deputy secretary-general said the Juridical Council had not given an opinion on the recommendations of a special panel of the Finance Ministry but only interpreted legal complications as asked to by the Cabinet.

The Supreme Court ruled that the order by the National Peacekeeping Council to set up the panel to conduct the graft investigations was unconstitutional, but the ruling did not say what the government should do with the impounded assets.

Fearing possible legal complications as the seized assets had become its property, the Finance Ministry did not immediately release them but set up a panel to study what procedures should be carried out to return them.

This panel has suggested that the government should either issue a decree or Cabinet resolution to return the

assets or wait for court orders. In the case of court orders, the 10 politicians must file civil suits against the Finance Ministry.

The government has also sought recommendations from the Office of Attorney General on the assets controversy. The office made suggestions similar to those of the Finance Ministry panel. [passage omitted]

Central Bank Predicts Growth in 2d Half

BK2707072393 Bangkok BANGKOK POST in English
27 Jul 93 p 15

[Text] THE Bank of Thailand and the National Economic and Social Development Board (NESDB) yesterday reached consensus that the country's economy will pick up in the second half of the year, mainly due to the acceleration of spending by the Government.

Although it forecast better performance by the economy in the second half, the Bank of Thailand's projected growth rate for this year was revised downwards from the 7.8 percent predicted at the beginning of the year to 7.5 percent. But the NESDB revised its projection upwards from 7.7 percent to 7.9 percent.

Thanya Siriwehthin, the director of the Bank of Thailand's Economic Research Department, said the revised projection was lower because the economy did not perform as strongly in the first half as expected, mainly because of lower exports.

The central bank reported that exports in the first half amounted to 427.3 billion baht, up by 10 percent on a per annum basis, while the original target was 18 percent for the whole year. The NESDB reported exports of 428.6 billion baht, up by only 8.8 percent.

NESDB Secretary-General Phisit Phakkasem said it was normal for the central bank to be more conservative in its projections than a planning agency like the NESDB.

"In the past the forecast figures of the NESDB were always higher than that of the central bank by about half to one percentage point," Dr Phisit said.

Bank of Thailand Governor Wichit Suphinit said the 0.4 percent difference between the forecasts was not significant and would not create a contrasting picture of the country's economic outlook. The two agencies' forecasts were in the same direction, he said.

The NESDB attributed its more optimistic forecast to three assumptions.

Firstly, it expected higher spending and investment by the private sector to help stimulate the economy in the second half.

Secondly, it assumed exports in the second half would expand at a greater rate than in the first half as the economies of Thailand's major trading partners, particularly the United States and Japan, would recover. It forecast that the country's exports would increase by

12.3 percent to 915,000 million baht, although that was lower than the original target of 14.7 percent to 935,000 million baht.

The third assumption was that the Government would accelerate its spending. It expected that the Government's investment spending in the second half would be equivalent to 50 percent of the total budget, making the whole-year investment spending equivalent to 82 percent of the total budget compared to 81 percent last year.

The Bank of Thailand also believed that the world economy would recover in the second half, mainly due to the stimulatory policies of governments in leading industrialised countries. The world economic recovery would help boost Thai exports in the second half.

Meanwhile, the recovery of private investment, particularly in major concessionary projects, general private investment and the tourism sector would contribute to a better performance in the second half.

The Bank of Thailand said world demand for Thai agricultural products would be higher because production in many countries had dropped due to natural disasters.

The NESDB predicted that the current account deficit would be higher than original forecasts. It revised the deficit figure from 165 billion baht to 195.1 billion baht, while the central bank forecast it would be 203 billion baht this year.

Both shared the view that the Government should concentrate on removing obstacles to exports.

The NESDB said the Government should restructure the import taxes on raw and semi-raw materials, improve the quality of exported products and hold further bilateral or multilateral talks with trading partners, particularly the United States, the European Community and Japan.

The Bank of Thailand noted that competition in the world market had become tougher, particularly from newcomers with low labour costs.

This had severely affected Thailand's advantageous position, it said. To maintain its competitiveness, it was necessary for Thailand to improve its productivity in both the industrial and agricultural sectors and provide more training to workers. The Government must also prepare measures to prevent workers from being affected by the upgrading of productivity.

The central bank recommended that basic Thai industries relocate to other countries to maintain their market shares and competitiveness. Long-term policies were needed for such development, it said. The NESDB said worker training was a long process, and the Government should in the short term reduce the tax burden on industries to help them reduce their costs.

Royal Navy To Switch to Automated Communications System

*BK2407015393 Bangkok BANGKOK POST in English
24 Jul 93 p 6*

[Text] The Royal Thai Navy will switch its manual communications system to an automated version using computers, Chief of Navy Staff Surawut Maharom said yesterday in Hat Yai.

Adm [Admiral] Surawut, in a briefing on the maritime defence policy for Deputy Foreign Minister Surin Phitsuwan, said the computerised system would tremendously help naval commanders in Bangkok keep track of the fleet and help ships during emergencies, a source said.

It would also speed communication between the fleet and headquarters, especially during piracy incidents, trafficking of drugs and illegal oil, Adm Surawut said. The change would cost about 100 million baht.

Joint Air Force Exercise Slated With Indonesia

BK2307081693 Bangkok Radio Thailand Network in English 0000 GMT 23 Jul 93

[Text] The Royal Thai Air Force and Indonesian Air Force will hold a joint exercise during 31 July and 7 August this year in Indonesia. The joint Thai-Indonesian military exercise has been held seven times already. The first one was held during 4 to 13 January 1981. The joint exercise, called Elang Thainesia, is held biannually with the two countries taking turn to host the event. Objectives of the joint military exercise are to enhance capability of the air forces of both countries in coordination and experiences, and also to strengthen relations between personnel of the two countries involved in the exercise. The exercise, scheduled during 31 July and 7 August 1993, will be the eighth of its kind featuring command post exercise and air maneuvering exercise to be held at Indonesia's Polonia Airbase.

Embassies Told To Promote Exports, Tourism

*BK2807021993 Bangkok BANGKOK POST in English
28 Jul 93 p 3*

[Text] The Foreign Ministry has told Thai ambassadors and consuls all over the world to help promote Thai exports, tourism and investment in Thailand following a suggestion by the National Economic and Social Development Board and the Bank of Thailand, Deputy Foreign Minister Surin Phitsuwan said yesterday.

After a meeting of Thai ambassadors and consuls held in Europe two months ago, the next meeting of ambassadors and consuls in the Asia-Pacific region will be held in Bangkok next month, he said.

Dr Surin said a meeting would soon be held in Manila by the Asian Development Bank to discuss the Growth Quadrangle concept.

He noted signs of good cooperation among countries in the region over the Growth Triangle and Growth Quadrangle ideas.

He said Thailand, from now on, would play a more active role in ASEAN because Foreign Minister Prasong Sunsiri was designated as chairman of the ASEAN standing committee for a year.

Chinnawat To Start Phone Service in Cambodia

*BK2707134593 Bangkok Voice of Free Asia in Thai
1030 GMT 27 Jul 93*

[Passages in italics in English]

[Text] Somprasong Bunyachai, president of the Cambodia Chinnawat Company Limited, a joint venture between the Chinnawat International Group and the Cambodian Government, reported that the company has installed the telephone junction at the Central Post Office and a base station in Phnom Penh, and has also linked the *wireless local link* or *WLL* with communications network of all types in Cambodia. The first-stage network will serve more than 5,000 subscribers. The Cambodia Chinnawat Company has started the second stage of the installment project which will cover the setting up of two more base stations by August. The company will later on expand service to the provinces, such as Kompong Cham, Kompong Som, and Siem Reap.

Concerning the service charge, he said the company had already submitted its proposal to the Central Post Department for consideration. The answer should be known within two weeks. The service charge proposed by Cambodia Chinnawat was lower than that for mobile phones and collected according to the number of calls. The company will also collect installment fees, monthly service charge, and fees for insurance of equipment. It will provide to subscribers the *terminal power supply* and phone sets. Marketing will be launched in early August. Applications for service will be received beginning 16 August.

Integrated Oil Enterprise Planned With PRC Firm

*BK2307044993 Bangkok BANGKOK POST in English
23 Jul 93 p 15*

[By Bunsong Kositchotthana]

[Text] Thailand's multi-industrial group Charoen Phokphan (CP) yesterday signed a joint venture accord with China Petrochemical Corp (Sinopec) to set up integrated oil businesses in Asian countries.

The deal solidified a memorandum of understanding the parties concluded last April in Peking in which they aimed to launch a regional-scale oil business, probably on par with western oil companies.

Yesterday's agreement envisages CP holding a 70% share in the venture with Sinopec's two units—Sinopec Maoming Petrochemical Co and Sinopec International Co—taking the remaining 30%.

The businesses, to be undertaken by a joint venture firm known as PetroAsia, would cover the whole spectrum of the downstream oil industries ranging from refining, storage, distribution and marketing.

Its aim is to cash in on the fast-growing oil market in the Asia-Pacific region, especially in Thailand, China and Indochinese countries, working in competition with western oil companies which now dominate the global energy scene.

The Petroleum Authority of Thailand (PTT) has reached initial agreement to take a 25% stake in the project through acquisition of some of CP's share. The PTT is awaiting final endorsement from the Thai Government.

The immediate action plan is to open 100-200 service stations in Thailand over a five-year period starting next year, according to Thongchat Hongladarom, the chief executive of CP's petroleum business group.

The mission will be carried out by PetroAsia (Thailand) Co, the first subsidiary company of PetroAsia, which will shortly be registered in Thailand with an initial capital of 500 million baht.

PetroAsia plans to set up subsidiary companies in other Asian countries in partnership with companies in the host countries to pursue oil businesses. High on the list of countries are China and Indochinese countries such as Laos and Vietnam.

CP executives said demand for petroleum products in China was increasing at 15-20% per annum compared to 8-9% in Thailand. Demand in the Indochina region is also rising substantially.

PetroAsia has yet to determine the size and timing of the establishment of the proposed oil refinery. But Dr Tongchat said it was "possible" the first refinery with a capacity of 100,000 barrels per day, could be built in southern Canton.

PTT deputy governor Phala Sukhawet said the PTT did not see PetroAsia as a trade rival, but rather as playing a "supplementary role" in the marketplace.

Vietnam

PLO Leader Yasir 'Arafat To Visit

BK2707153093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 27 Jul 93

[Text] At the invitation of Mr. Le Duc Anh, president of the Socialist Republic of Vietnam, Mr. Yasir 'Arafat, president of the State of Palestine and chairman of the

Executive Committee of the Palestine Liberation Organization will pay an official visit to Vietnam in the near future.

Commentary Outlines Singaporean Economic Ties

BK2707140293 Hanoi Voice of Vietnam in English 1000 GMT 27 Jul 93

[Station commentary]

[Text] Singaporean Government leaders have reaffirmed readiness to assist Vietnam in developing its economy. Here is our radio editor's opinion.

Singaporean Prime Minister Goh Chok Tong, Senior Minister Lee Kuan Yew, and Foreign Minister Wong Kan Seng [word indistinct] affirmation to Vietnamese Foreign Minister Nguyen Manh Cam during separate meetings last week. Mr. Nguyen Manh Cam was in Singapore attending the 26th annual meeting of ASEAN foreign ministers.

During these meetings, the Singaporean leaders praised the economic potential as well as achievement attained by Vietnam in the renovation process. They expressed their readiness to help Vietnam in technical area and to impart its own experiences in economic management and development. They promised to facilitate Singaporean investment in Vietnam. Prime Minister Goh Chok Tong said he was looking forward to a visit by Communist Party Leader Do Muoi scheduled for early October. He repeated the Singaporean president's invitation to President Le Duc Anh for a visit to Singapore and promised to arrange his visit to Vietnam soon.

Political, economic, and trade relations between Vietnam and Singapore have developed since the Prime Minister Vo Van Kiet's visit to Singapore in October 1991. Singapore is now the biggest trading partner of Vietnam. Two-way trade turnover has reached over \$600 million, accounting for more than 30 percent of the turnover of Vietnam foreign trade. Since the Singaporean Government lifted its ban on investment in Vietnam in November 1991, dozens of Singapore-invested projects capitalized at about \$100 million have been licensed. Many others are now being considered. Twenty-five Singaporean companies including Singapore Airlines are now operating in Vietnam. Recently, many more Singaporean companies have asked for permission to open representative offices in Vietnam, and visited Vietnam to inquire to the market potential. Many Vietnamese business groups have come to Singapore to study and exchange experiences. Both sides are promoting the setting up of a Vietnam-Singaporean association for cooperation and investment. At the conference on the restoration of Cambodia held in Tokyo in June last year, Singapore earmarked \$10 million for the setting up of an Indochina fund which includes Vietnam.

Vice President Meets Outgoing Malaysian Ambassador*BK2407151393 Hanoi VNA in English 1445 GMT 24 Jul 93*

[Text] Hanoi VNA July 24—Vice President, Mrs. Nguyen Thi Binh received here yesterday out-going Malaysian Ambassador N. Parameswaran who paid her a farewell visit on the occasion of the ending of his term of office in Vietnam. The Malaysian ambassador thanked Vietnamese leaders and offices for their assistance and support for him during his mission in Vietnam and expressed his satisfaction at the fine development of the relations between the two countries. Vice President Nguyen Thi Binh highly appreciated the Malaysian diplomat's contribution to stepping up the friendship and cooperation between Vietnam and Malaysia, especially the implementation of cooperation and joint venture projects of the two countries. She expressed her belief that the bilateral relations would further develop in the coming period. The vice president asked the ambassador to convey best regards to the king and other leaders of Malaysia.

Nong Duc Manh Receives DPRK, Czech Envoys*BK2307094193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 22 Jul 93*

[Text] On 22 July, comrade Nong Duc Manh, member of the Communist Party of Vietnam Central Committee Political Bureau and chairman of the National Assembly received in Hanoi the charge affaires a.i. of the Czech Republic who called on him to bid farewell at the end of his tenure of office.

In the afternoon of the same day, Chairman Nong Duc Manh received at his office Han Min-chol, new ambassador of the Democratic People's Republic of Korea to Vietnam.

Deputy Foreign Minister Attends DPRK Celebration*BK2307152393 Hanoi VNA in English 1404 GMT 23 Jul 93*

[Text] Hanoi VNA July 23—Ambassador to the Democratic People's Republic of Korea (DPRK) to Vietnam Han Min-chol gave a film show here this evening to mark the 40th victory day in Korea's liberation war.

Prominent among the Vietnamese guests were Vu Khoan, deputy foreign minister Tran Van Chuong, deputy head of the External Relations Commission of the party Central Committee Nguyen Quang Tao, acting president of the Vietnam Union of Peace, Solidarity and Friendship Organization.

CPV Delegation Visits Argentina, Brazil*BK2307095193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 22 Jul 93*

[Text] A delegation of the Communist Party of Vietnam [CPV] led by Comrade Do Van Tai, deputy director of the party Central Committee's Foreign Relations Department, has paid a visit to Argentina and Brazil at the invitation of the Communist Party of Argentina [PCA] Central Committee and of the Brazilian Communist Party [PCB] Central Committee.

While in Argentina, the delegation met and had working sessions with PCA General Secretary Comrade Patricio Echegaray and many comrade members of the PCA Central Committee Political Bureau. While in Brazil, the delegation met and had working sessions with Comrade PCB President Joao Amazonas and many comrade members of the PCB Central Committee Political Bureau and Secretariat.

The delegation conveyed our party leaders' regards to the comrade PCA leaders. It also met with representatives of a number of political parties and movements for peace, solidarity, and sovereignty in Argentina, as well as with leaders of the Socialist Party, Workers' Party, and the ruling Democratic Movement Party headquartered in Sao Paulo.

Leaders of the aforementioned parties in Argentina and Brazil expressed their admiration for our people's struggle for independence and freedom under the leadership of the CPV founded and forged by President Ho Chi Minh, regarding that struggle as a very great and important contribution to the world people's movement for national liberation and independence. They highly valued the renovation cause and foreign policy of our party and state. They also expressed the desire to strengthen friendship and economic and trade cooperation with our country. The comrade PCA and PCB leaders maintained that given the current complicated international situation, the positive changes in our country along the socialist path have further consolidated the two fraternal communist parties' confidence in socialism.

While in Argentina, the delegation paid a courtesy call to the Foreign Ministry. While in Sao Paulo, the delegation was received by his excellency the minister of education and representative of the governor of Sao Paulo, by his excellency the general secretary of the Brazilian Democratic Movement Party, and by many National Assembly deputies from Sao Paulo.

Phan Van Khai Receives PRC Metallurgical Delegates*BK2307095293 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Jul 93*

[Text] On 22 July, Deputy Prime Minister Phan Van Khai received in Hanoi the visiting Chinese metallurgical cadres delegation led by (Vuong Nhu Lam), deputy

minister of metallurgical industry. The Chinese Deputy Minister sincerely thanked Deputy Prime Minister Phan Van Khai for his warm welcome.

During the reception, the Chinese guest expressed his wish to expand cooperation in the metallurgical field between China and Vietnam.

Deputy Prime Minister Phan Van Khai welcomed the Chinese delegation's working visit to Vietnam and said that this is a good opportunity to promote a better understanding and strengthen the friendly and cooperative relations between the metallurgical sectors of the two countries.

Nguyen Duc Binh Attends Moncada Anniversary Rally

BK2407141693 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Jul 93

[Text] A grand meeting was held in Hanoi this morning by the Union of Vietnamese Peace, Solidarity, and Friendship Organizations and the Vietnam-Cuba Friendship to mark the 40th anniversary of the attack on the Moncada barracks in Cuba on 26 July 1953.

Attending were Comrade Nguyen Duc Binh, political bureau member and secretary of the Party Central Committee; the comrade cadres of the Union of Vietnamese Peace, Solidarity, and Friendship Organizations and the Vietnam-Cuba Friendship; Comrade Tania Maceira Delgado, ambassador extraordinary and plenipotentiary of the Republic of Cuba to Vietnam; and many cadres from the Cuban Embassy.

Comrade Nguyen Quang Tao, chairman of the Union of Vietnamese Peace, Solidarity, and Friendship Organizations, and Ambassador Tania Maceira Delgado addressed the meeting.

Leaders' Message Marks Cuba's Moncada Victory

BK2507142793 Hanoi VNA in English 1358 GMT 25 Jul 93

[Text] Hanoi VNA July 25—General Secretary Do Muoi, President Le Duc Anh and Prime Minister Vo Van Kiet today jointly sent a message of greetings to President Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, on the occasion of the 40th anniversary of Cuba's Moncada victory (July 26).

The message affirmed the Vietnamese people's consistent solidarity with the Cuban people's just cause.

Prime Minister Expresses Sympathy for Flood Victims

BK2807071993 Hanoi VNA in English 0611 GMT 28 Jul 93

[Text] Hanoi VNA July 28—Prime Minister Vo Van Kiet has sent messages of sympathy to P.V. Narasimha Rao, prime minister of the Republic of India, B. Khaleda Zia, prime minister of the People's Republic of Bangladesh, and Girija Prasad Koirala, prime minister of the Kingdom of Nepal, over the losses in lives and property caused by recent floods in their countries.

Vo Van Kiet Extends Sympathy

BK2807123993 Hanoi VNA in English 0611 GMT 28 Jul 93

[Text] Hanoi VNA July 28—Prime Minister Vo Van Kiet has sent messages of sympathy to P.V. Narasimha Rao, prime minister of the Republic of India, B. Khaleda Zia, prime minister of the People's Republic of Bangladesh, and Girija Prasad Koirala, prime minister of the Kingdom of Nepal, over the losses in lives and property caused by recent floods in their countries.

Leaders Mark Day for War Invalids, Dead

Doan Khue Visits Sick, Wounded

BK2607034993 Hanoi Vietnam Television Network in Vietnamese 1300 GMT 25 Jul 93

[Text] On the occasion of the 46th anniversary of war invalids day, General Doan Khue, member of the Communist Party of Vietnam Central Committee Political Bureau and minister of National Defense, visited Military Hospital 108 recently.

After listening to the hospital director's briefing on the work and achievements of the hospital, Gen. Doan Khue commended its leading cadres, professors, doctors, nurses, and personnel for their great efforts in treating and curing wounded and sick soldiers, thereby satisfactorily implement Uncle Ho's teaching that physicians must treat their patients the same way as a dear mother does her beloved children.

During a visit to section A1 of the hospital, where high-ranking army officials are undergoing medical treatment, Gen. Doan Khue solicitously inquired about the condition of these officials. He wished them quick recovery so that they may return soon to their units and resume duties.

Le Duc Anh Presents Gifts

BK2607043493 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 25 Jul 93

[Text] On the 46th anniversary of war invalids day, SRV state president Le Duc Anh sent gifts to wounded and sick soldiers who are being treated at military hospitals and convalescence centers in localities.

On the same occasion, leaders of the Ministry of Labor, War Invalids and Social Affairs and the Ministry of Finance also visited and presented gifts to wounded soldiers and fallen combatants' families. They also inspected the implementation of the social welfare policy toward patients in convalescence centers in Thai Binh, Ha Bac, Nghe An provinces, and at the mental convalescence centers in Ninh Binh and Nam Ha Provinces.

Le Duc Anh Issues Letter

BK2607133993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Jul 93

[“Letter to brother and sister war invalids, ailing soldiers, and dependents of fallen combatants” from President Le Duc Anh delivered “on the occasion of the 27 July War Invalids and Fallen Combatants’ Day”; in Hanoi on 26 July]

[Text] Dear brother and sister war invalids, ailing soldiers, and dependents of fallen combatants:

On the occasion of the 27 July War Invalids and Fallen Combatants’ Day, on behalf of the party and state, I respectfully bow my head in memory of our fallen combatants who have sacrificed their lives for the fatherland’s independence and freedom. May I avail myself of this opportunity to convey my warm regards to all brother and sister war invalids, ailing soldiers, and dependents of fallen combatants. Let me warmly commend all brother and sister war invalids, ailing soldiers, and dependents of fallen combatants for having developed the fine traditions of the revolution and for having made efforts to fulfill all tasks, accelerate production, and stabilize all aspects of their lives. I also would like to warmly commend our compatriots and combatants throughout the country for having joined hands with party committee echelons, administrative organs, and mass societies in providing loving care to war invalids, ailing soldiers, and dependents of fallen combatants through such practical activities as raising funds to open savings accounts, building housing facilities, welcoming seriously disabled war invalids or seriously ailing soldiers home for medical care and treatment, sponsoring war orphans, and looking after the well-being of fallen combatants’ parents who have nobody to turn to in time of need.

It is the objectives of our country’s renovation cause to make the people rich and the nation powerful, as well as bring about civilization to society. Positive changes have been effected and progress has been made. Difficulties, however, still abound in many areas. Against such a backdrop, no small number of welfare recipients still live in poverty and do not have a sense of security.

On the occasion of the War Invalids and Fallen Combatants’ Day, let me call on all sectors, echelons, mass societies, socioeconomic organizations, and compatriots and combatants throughout the country to show their gratitude by joining hands with the party and state in

providing even better care to war invalids, ailing soldiers, and dependents of fallen combatants.

It is my hope that brother and sister war invalids, ailing soldiers, and dependents of fallen combatants will continue to enjoy good health and satisfactorily develop the fine traditions of the revolution.

My cordial salutations to each and everyone of you.

[Signed] Le Duc Anh, president of the Socialist Republic of Vietnam

Delegation Visits War Cemetery

BK2707144993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 27 Jul 93

[Text] This morning, 27 July, a delegation of the Party, National Assembly, State, Government, and Vietnam Fatherland Front paid tributes to fallen combatants at the war cemetery in Hanoi.

The delegation included Comrade Nong Duc Manh, member of the Party Central Committee Political Bureau and chairman of the National Assembly; Comrade Pham The Duyet, member of the Party Central Committee Political Bureau and secretary of the Hanoi Municipal Party Committee; Comrade Nguyen Thi Binh, state vice president; Comrade Nguyen Khanh, deputy prime minister; Comrade Pham Van Kiet, vice chairman of the Vietnam Fatherland Front; Comrade Ho Duc Viet, first secretary of the Ho Chi Minh Communist Youth Union; and representatives from the Ministry of Labor, War Invalids, and Social Welfare; the Ministry of National Defense; the Ministry of Interior; the Vietnam War Veterans Association; the Vietnam Peasants Association; the Hanoi Municipal People’s Council, People’s Committee, the Vietnam Fatherland Front Committee; and many other organs, sectors, and mass organizations at the central level and in Hanoi.

The delegation laid a wreath carrying the words: Remember the great services of all the fallen combatants forever.

Members of the delegation then took turns to light incense sticks on the graves of fallen combatants to the sound of a military band.

Also this morning, the comrade party, National Assembly, and state leaders visited and offered gifts to the brother and sister wounded and ailing soldiers currently undergoing medical treatment at Military Hospital No. 108.

Nong Duc Manh Pays Working Visit to Son Tay

BK2707111493 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Jul 93

[Text] Comrade Nong Duc Manh, member of the party Central Committee Political Bureau and chairman of the National Assembly, recently paid a working visit to the 19 May combined food enterprise.

Chatting cordially with key cadres and workers of the enterprise, Chairman Nong Duc Manh spoke highly of the sense of creativity and self-reliance of the board of directors and the trade union organization of the enterprise, which has enabled them to firmly maintain the enterprise and care for and stabilize the livelihood of its cadres, workers, and personnel.

Chairman Nong Duc Manh took note of the proposal of the enterprise to the central government that it be furnished with investment capital so that equipment can be replaced to apply biology to the production of glucose to meet the demands of the entire country, both in terms of quantity and quality. At present, we must import up to 500 metric tons of glucose from other countries.

On this occasion, Chairman Nong Duc Manh visited the Son Tay city people's council and people's committee. He also toured the Dong Mo tourist resort and heard a report on plans to build a tourist hotel and a golf course in the area under a program of cooperation and joint venture with foreign companies.

More Refugees Return to Ho Chi Minh City

*BK2607121293 Hanoi Voice of Vietnam in English
1000 GMT 26 Jul 93*

[Text] More than 4,300 refugees volunteered to return to Ho Chi Minh City in late June 1993. The European Community [EC] has granted the returnees loan totalling nearly \$175,000, bringing the total sum of loan to refugees to about \$692,000. With the EC money, jobs have been created for 2,700 unemployed people including more than 1,200 returnees. The EC also released funds for job training, which benefited 838 repatriates.

Nguyen Duc Binh Attends Party Education Conference

BK2707074193 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 26 Jul 93

[Text] On the afternoon of 24 July, Comrade Nguyen Duc Binh, member of the party Political Bureau, addressed a conference on education promotion work in the northern provinces. The conference was held in Hanoi from 20 to 24 July to draw experiences in carrying out education programs on political logic and guidance to execute the party's Fifth Plenum resolution.

Since 1992, education promotion activities have been actively and widely carried out. This proves that party members are still in demand in education. They want to improve their knowledge both in the party's and state's policy and line, as well as in culture, science, and technology. The movement to study political logic in 1992 has greatly contributed to the upkeep of the ideological front and has continuously renewed the party members' thinking. It has also given them a logical foundation to consolidate their socialist ideological stance.

The conference participants also discussed education promotion work planned for 1993-1994.

Vice President Attends Peace Union Conference

BK2707063193 Hanoi VNA in English 0607 GMT 27 Jul 93

[Text] Hanoi VNA July 27—The first national conference of the Vietnam Union of Peace, Solidarity and Friendship Organizations (UPSFO) opened here yesterday.

Seen on the presidium of the conference at its opening ceremony were, among others, Nguyen Thi Binh, vice-president of Vietnam; Hong Ha, secretary of the Communist Party of Vietnam Central Committee and head of its External Relations Commission; Pham Van Kiet, vice-president of the Central Committee of the Vietnam Fatherland Front and Nguyen Quang Tao, acting president of the UPSFO.

UPSFO Acting President Nguyen Quang Tao presented a key report highlighting the union's efforts to broaden its external activities in service of the country's process of renovation. These activities have helped promote the understanding, friendship and cooperation between Vietnam and other nations in the world.

In recent years the union also worked for promoting the exchange of and cooperation in economy, science, technology and culture. Vietnam has association with 180 non-governmental organisations, and annually receives between 20 and 25 million US dollars as relief or development aid from foreign resources.

Agriculture Ministry Issues Survey Findings

BK2607072793 Hanoi VNA in English 0635 GMT 26 Jul 93

[Text] Hanoi VNA July 26—One in every five farming families in many parts of agriculture-based Vietnam is becoming better off, according to the Ministry of Agriculture and Food Industry.

In a preliminary survey conducted recently in nine provinces in different geographical regions, the ministry found that about 22 percent of the farming households had become financially better following several years' pursuit of diversified commercial production.

The survey shows that provinces which succeed in developing sideline occupations in addition to farming have an edge over others. Tien Giang may be the poorest in terms of land in the Mekong Delta but 35 percent of the families surveyed proved to be better off. That was because of a successful combination of rice planting, fruit growing and fisheries. The rate in Ha Bac, Dong Thap, Nam Ha and Thanh Hoa, where diversified production is practised, was also as high as 20 or 25 percent. In the mountain province of Hoa Binh, however, it was only 5.8 percent.

Annual incomes of the surveyed group varied greatly. Families which could make 10-20 million dong each accounted for 92 percent of the total. While those gaining between 21 and 41 million dong made up just six percent.

The survey also revealed that agriculture remained to be the main source of income, providing each household with up to 74.24 percent of its annual earnings.

Leaders Attend Conference on Vocational Training

BK2507094193 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 24 Jul 93

[Text] The Ministry of Education and Training opened a conference on the morning of 23 July on 1993 national vocational education in Hanoi. Attending the conference were Comrade Nguyen Dinh Tu, member of the party Central Committee Secretariat and director of the party Science and Education Department; Comrade Tran Thi Tam Dan, chairman of the Culture, Education, Youth, Teenager, and Children Committee of the National Assembly; and Comrade Tran Hong Quan, minister of education and training. The conference was also attended by officials of ministries which run technical high schools and vocational training centers and representatives from related ministries and sectors.

The conference report states that in the past years, the vocational education service has tried to increase its service on a larger scale with a variety of vocational trainings, especially with short-term vocational courses. Many training schools have opened new vocational courses and provided training in traditional skills in their localities.

The vocational education service has mobilized all resources in society to improve its training and skillfully applied policies to socialize the education and training. However, the service is still facing some problems, namely, poor equipment and inadequate systematic structure and planning of vocational schools. In the coming period, the Ministry of Education and Training plans to open more vocational training centers with high quality and standardized training schools to provide training and refresher training for high level technicians and skilled workers to meet the national economic development demand in the new stage.

Political Bureau Resolution on Women's Mobilization

BK2507085393 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 25 Jul 93

[Text] The party Central Committee Political Bureau recently issued a resolution on renovating and strengthening women's mobilization work in the new situation to meet requirements for socioeconomic development and a comprehensive improvement of Vietnamese women.

After appraising the current situation and the women-related tasks of the party, the resolution specified viewpoints and key tasks on renovating and strengthening women's mobilization work. These include efforts to provide jobs for women workers, improve their daily life, provide them with work and social safety insurances, promote their physical fitness, and protect interests of all women working for state-run and private business establishments in the mountain and plain regions. Efforts must also be made to enhance and foster the quality, capability, and background of women; build prosperous and happy families; renovate the organization and activities of the Vietnam Women's Union [VWU]; and strengthen women-related tasks of the party and mass organizations.

Concerning implementation, the resolution stressed that echelons of party committees, state agencies, mass organizations, and chapters of the VWU are dutybound to disseminate the party lines and policies on women's mobilization work. They should strive to concretize these lines and policies, formulate concrete program of action, and monitor the implementation of this task to promptly draw on experiences. Competent cadres should be assigned to working units where women are the majority and at staff agencies dealing with state lines related to women and children to monitor women's activities and collect data to help the government formulate correct policies in conformity with the new situation.

Vo Van Kiet Attends Housing Project Conference

BK2507062293 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Jul 93

[Text] In Can Tho Province, the Ministry of Construction recently held a two-day conference on the development of rural housing in the Mekong River delta. Attending the conference were representatives of 11 provinces in the delta. The conference participants adopted the plan on developing rural housing in the Mekong River Delta up to the year 2000 presented by the Ministry of Construction.

The representatives focused their discussion on three major issues namely rural development plans, capital for developing housing projects, and supply of construction materials.

The conference stressed that efforts must be made to urgently formulate development plans for various rural areas in the Mekong River delta and to build more infrastructure projects to improve services in the transportation, electricity, irrigation, public health, and education domains. The Ministry of Construction should take primary responsibility for seeking capital for building housing projects.

The conference agreed that efforts should be made to mobilize capital from the masses, seek low-interest bank loans, and establish the people's saving funds for housing development and other assistance projects.

Regarding the supply of construction materials, the conference asserted that it is necessary to formulate a policy to ensure sufficient materials for construction units in the Mekong River delta and improve the transportation network to reduce production costs in building houses.

Prime Minister Vo Van Kiet attended the two-day conference, during which he examined various models of housing projects and construction material samples. He carefully inquired about the details of these projects, the prices of construction materials, the cost of building each house especially those that meet the requirements of peasants in the Mekong River delta.

Addressing the conference, Prime Minister Vo Van Kiet said: To effectively fight hunger and poverty in the Mekong River delta, first we must work to effect changes for the better so as to improve the local people's standard of living. This is the duty of party committee echelons and the administration. Various provinces, districts, and villages must formulate concrete plans, at intervals, to effectively carry out this task.

The prime minister also drew the conference's attention to various key issues in developing housing projects in the Mekong River delta ranging from formulating plans, mobilizing the people's capital, seeking government assistance, and producing construction materials.

Prime Minister Vo Van Kiet stressed: The party Central Committee's Fifth Plenum resolution as well as the Law on Land have asserted that citizens are entitled to have a piece of land to make their living. As a result, provinces in the Mekong River delta must strive, together with the people, to implement this stipulation, especially families who are currently living along the banks of canals and along roadsides.

Concerning the populated areas with large Khmer communities, the prime minister asked the Ministry of Construction and localities concerned to provide assistance to poor families and to help them to build houses. He instructed leading cadres of these localities to strive to personally resolve this problem.

The prime minister finally stressed that the Ministry of Construction and agencies concerned must urgently formulate appropriate plans to meet requirements in building rural housing projects in the Mekong River delta.

Relay Station Expansion Program Begins

BK2407152293 Hanoi VNA in English 1433 GMT 24 Jul 93

[Text] Hanoi VNA July 24—With ODA [overseas development aid] from France and budgetary allocations for 1993 the Information Technical Investment and Development Company has started the first phase of a television relay station expansion programme to broaden the coverage of the central television station.

As scheduled, the company will instal Thomson-made TV transmitters from 1 to 10kw in capacity alongside satellite receiving antennae at radio and tv stations in five provinces. These include Hai Phong, Nghe An, Lam Dong, Ho Chi Minh City and Can Tho.

Pham The Duyet Visits Hanoi Sanitarium

BK2407135493 Hanoi Voice of Vietnam in English 1000 GMT 24 Jul 93

[Text] Hanoi Party Committee Secretary Mr. Pham The Duyet has reminded the cadres of the Hanoi Sanitarium to better care for war invalids for their meritorious service during the war. Mr. Duyet was visiting the sanitarium to commemorate the 46th anniversary of the Vietnam War in relation to the Fallen Combatant Day on 27 July.

Quang Nam-Da Nang Upgrades Radio, TV Service

BK2407102993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 23 Jul 93

[Text] Correspondent Hong Duc of Quang Nam-Da Nang Radio Station reports that in the last six months, the Quang Nam Da Nang Province Radio Service has upgraded and replaced radio transmission equipment for radio stations in the Districts of Duy Xuyen, Thang Binh, Nui Thanh, Tien Phuoc, and Hoa Vang; and in the two towns of Tam Ky and Hoi An. These radio stations have had 100-watt FM transmitters installed. Therefore, there has been 12 district radio stations equipped with FM transmitters in the province so far, including six 100-watt stereo transmitters in Da Nang, Hoa Vang, Dien Ban, Duy Xuyen, Hoi An, and Tam Ky. Local authorities have contributed funding for these installations.

Moreover, the Quang Nam-Da Nang Radio Station has also helped strengthen the wire radio network in Dai Phong village of Dai Loc District. It has also established wire radio services in Hiep Hoa village of Hiep Duc District and Tam Son village of Nui Thanh District.

Also in the reporting period, Dai Loc District inaugurated and put into service a television relay station to serve people in the villages located in the western side of the district. A television relay station is under construction in Que Son District. After completing this station, Quang Nam-Da Nang Province will have eight television relay stations, including five run by the province's radio service. These five stations can serve as radio transmission stations in the Districts of Tien Phuoc, Phuoc Son, Hiep Duc, Dai Loc, and Que Son.

Nguyen Duc Binh Attends Economic Renovation Seminar

BK2307065993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Jul 93

[Text] In Hanoi on 21 July, the National Economics University held a second seminar on the renovation and

perfection of economic policies and the economic management mechanism. The subject of the seminar was a national scientific study project codenamed KX-03. Attending the seminar were Comrade Nguyen Duc Binh, member of the Party Political Bureau, and representatives from the Ministry of Science, Technology, and Environment; the Science and Education Department of the party Central Committee; and related organs and sectors.

The seminar's theme was: "Building major concepts and measures to develop the market-oriented economy under socialist direction in Vietnam." The seminar concentrated on scientific and practical suggestions for the continuous renovation of our system of national economic policies. These suggestions are to be implemented during the economic reformation for the acceleration of economic development in the market-oriented mechanism under socialist direction.

Speaking at the seminar, Comrade Nguyen Duc Binh highly evaluated the results of the seminar. He held that this seminar not only created favorable conditions to accomplish 1993 study projects for the State Science Council to decide, but also provided great contributions to party Central Committee documents.

HCMC's Tan Son Nhat Airport Capacity Upgraded

BK2807063793 Hanoi VNA in English 0616 GMT 28 Jul 93

[Text] Tan Son Nhat Airport in Ho Chi Minh City [HCMC] has been upgraded to serve 2.5 million passengers annually, doubling last year's figure, said Vietnam Airlines officials. The project started in April 1990, at the cost of USD 3 million was for expanding and upgrading the terminal built by the Americans in the early 1960's. The area for office, check-in service and baggage system was expanded from 11,597 sqm to 14,600 sqm. The air-conditioned terminal is now equipped with four moving walkways capable of transporting 9,000 passengers per hour from check-in to different boarding gates and a new baggage system that can handle 1,240 pieces of baggage per hour. The upgrading of the second runway is expected to be completed in August. The runway, three kilometres long and 45 metres wide, will be accessible to various types of aircraft. According to airlines officials, 746,000 passengers and 12,500 tonnes of cargo passed through Tan Son Nhat in the first half of this year, against 500,000 passengers and 5,000 tonnes in 1990.